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**KANDARP DIGI SMART BPO LIMITED**

CIN: U74899DL2001PLC109565

Registered Office		Corporate Office		Contact Person	Email and Telephone	Website
GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India.		C-69, C Block, Sector 2, Noida - 201301, Uttar Pradesh, India		Ms. Niharika Gupta, Company Secretary and Compliance Officer.	Tel. No.: +91-120-2543069 E-mail: <a href="mailto:cs@kdsbpo.com">cs@kdsbpo.com</a>	<a href="http://www.kdsbpo.com">www.kdsbpo.com</a>
<b>PROMOTERS OF THE COMPANY:</b>						
<b>MR. SUNIL KUMAR RAI, MRS. MEENAKSHI PATHAK AND M/S RELIABLE DATA SERVICES LIMITED</b>						
<b>DETAILS OF THE ISSUE</b>						
TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY		
Fresh Issue	[●]	Nil	[●]	The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 As Amended		
<b>DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES</b>						
<b>RISK IN RELATION TO THE FIRST ISSUE</b>						
This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10/- each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under chapter titled “Basis for Issue Price” beginning on Page No. 72 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.						
<b>GENERAL RISKS</b>						
Investment 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 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 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 this Draft Prospectus. Specific attention of the investors is invited to chapter titled “Risk Factors” beginning on Page No. 20 of this Draft Prospectus.						
<b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>						
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.						
<b>LISTING</b>						
The Equity Shares Issued through this Draft Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).						
<b>LEAD MANAGER TO THE ISSUE</b>						
Name and Logo		Contact Person		Email & Telephone		
 <b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b>		Mr. Nikhil Shah		Email: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> Tel. No.: +91-79-48405357, 48406357		
<b>REGISTRAR TO THE ISSUE</b>						
Name and Logo		Contact Person		Email & Telephone		
 <b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b>		Ms. Rati Gupta		Email: <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> Tel. No.: 011-40450193-197		
<b>ISSUE PROGRAMME</b>						
<b>ISSUE OPENS ON</b>				<b>ISSUE CLOSSES ON</b>		
[●]				[●]		

**KANDARP DIGI SMART BPO LIMITED**

CIN: U74899DL2001PLC109565

Our Company was originally incorporated on February 07, 2001 as “Dynamic Restructuring Management Services Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, N.C.T of Delhi & Haryana. The name of our company was changed from “Dynamic Restructuring Management Services Private Limited” to “Kandarp Management Services Private Limited” and fresh certificate of incorporation dated March 23, 2010 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further the name of our company was changed from “Kandarp Management Services Private Limited” to “Kandarp Digi Smart BPO Private Limited” and fresh certificate of incorporation dated December 09, 2021 was issued by Registrar of Companies, Delhi. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Kandarp Digi Smart BPO Private Limited” to “Kandarp Digi Smart BPO Limited” vide fresh certificate of incorporation dated March 22, 2022 issued by the Registrar of Companies, Delhi. For further details, please refer to chapter titled “History and Corporate Structure” beginning on page 106 of this Draft Prospectus.

**Registered Office:** GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India

**Corporate Office - C-69, C Block, Sector 2, Noida - 201301, Uttar Pradesh, India**

**Tel No.:** +91-120-2543069; **Email:** [cs@kdsbpo.com](mailto:cs@kdsbpo.com); **Website:** [www.kdsbpo.com](http://www.kdsbpo.com)

**Contact Person:** Ms. Niharika Gupta, Company Secretary and Compliance Officer.

**OUR PROMOTERS: MR. SUNIL KUMAR RAI, MRS. MEENAKSHI PATHAK AND M/S RELIABLE DATA SERVICES LIMITED****THE ISSUE**

INITIAL PUBLIC ISSUE OF UPTO 27,00,000 EQUITY SHARES OF RS. 10/- EACH (“EQUITY SHARES”) OF KANDARP DIGI SMART BPO LIMITED (“KDSBL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO RS. [●] LAKHS (“THE ISSUE”), OF WHICH UPTO [●] EQUITY SHARES OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE AGGREGATING TO RS. [●] LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO [●] EQUITY SHARES OF RS. 10/- EACH INCLUDING A SHARE PREMIUM OF RS [●] PER EQUITY SHARE AGGREGATING TO RS. [●] LAKH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THIS ISSUE IS BEING IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIERMENTS) REGULATIONS, 2018 AS AMENDED FROM TIME TO TIME.

For further details see “TERMS OF THE ISSUE” beginning on Page no. 196 of this Draft Prospectus.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015 and the all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self-Certified Syndicate Banks (“SCSBs”) for the same. Further pursuant to SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, for implementation of Phased II for UPI facility, which is effective from July 01, 2019, all potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts or UPI ID (in case of RIs), in which the corresponding Application Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. For details, see “ISSUE PROCEDURE” on Page No. 203 of this Draft Prospectus.

THE FACE VALUE OF THE EQUITY SHARE IS RS. 10/- AND THE ISSUE PRICE IS [●] THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10/- each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under chapter titled “Basis for Issue Price” beginning on Page No. 72 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investment 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 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 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 this Draft Prospectus. Specific attention of the investors is invited to chapter titled “Risk Factors” beginning on Page No. 20 of this Draft Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares offered through this Draft Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated [●] from National Stock Exchange of India Limited (“NSE”) for using its name in this offer document for listing our shares on the EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”). For the purpose of this Issue, the designated Stock Exchange is the NSE.

**LEAD MANAGER TO THE ISSUE****REGISTRAR TO THE ISSUE****BEELINE CAPITAL ADVISORS PRIVATE LIMITED**

807, Phoenix Tower, Opp. New Girish Cold drinks,

Near Vijay Cross Roads, Navrangpura,

Ahmedabad – 380009, Gujarat, India

**Tel. No.:** +91-79-48405357, 48406357

**Email:** [mb@beelinemb.com](mailto:mb@beelinemb.com)

**Website:** [www.beelinemb.com](http://www.beelinemb.com)

**Investor Grievance Email:** [ig@beelinemb.com](mailto:ig@beelinemb.com)

**Contact Person:** Mr. Nikhil Shah

**SEBI Registration No.:** INM000012917

**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**

D-153A, 1st Floor, Okhla Industrial Area

Phase-I, New Delhi – 110020, India

**Tel. No.:** 011-40450193-197

**Fax No.:** 011-26812683

**Email:** [ipo@skylinerta.com](mailto:ipo@skylinerta.com)

**Website:** [www.skylinerta.com](http://www.skylinerta.com)

**Investor Grievance Email:** [grievances@skylinerta.com](mailto:grievances@skylinerta.com)

**Contact Person:** Ms. Rati Gupta

**SEBI Registration No.:** INR000003241

ISSUE OPENS ON

[●]

ISSUE CLOSES ON

[●]

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.*

*The words and expressions used in this Draft Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under. Notwithstanding the foregoing, terms used in of the sections “Industry Overview”, “Key Regulations and Policies”, “Statement of Possible Tax Benefits”, “Restated Financial Statements”, “Basis for Issue Price”, “History and Corporate Structure”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigations and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” on pages 78, 98, 74, 134, 72, 106, 186, 175 and 250, respectively, shall have the meaning ascribed to such terms in such sections.*

#### General Terms

Term	Description
“KDSBL”, “the Company”, “our Company” and Kandarp Digi Smart BPO Limited	Kandarp Digi Smart BPO Limited (formerly known as Kandarp Management Services Private Limited), a company incorporated in India under the Companies Act 1956 having its Registered office at GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue

#### Company related terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of Kandarp Digi Smart BPO Limited as amended from time to time.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 as amended.
Auditor/ Statutory Auditor	The Auditor of Kandarp Digi Smart BPO Limited Being M/s B Manna & Co., Chartered Accountant.
Bankers to the Company	HDFC Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 110 of this Draft Prospectus.
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of our Company being Mr. Sunil Kumar Rai.
CIN	Corporate Identification Number of our Company i.e. U74899DL2001PLC109565
Chief Financial Officer/CFO	The Chief Financial Officer of our Company being Mr. Parbind Kumar Jha
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Niharika Gupta
Corporate Office	C-69, C Block, Sector 2, Noida - 201301, Uttar Pradesh, India
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the issuer as disclosed in “Information with Respect to Group Companies” on page 183 of this Draft Prospectus.

Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the Listing Regulations.
ISIN	International Securities Identification Number. In this case being [●]
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 110 of this Draft Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on April 20, 2022, in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MD or Managing Director	The Managing Director of our Company being Mr. Sunil Kumar Rai.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Kandarp Digi Smart BPO Limited as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer Review Auditor	Auditor having a valid Peer Review certificate in our case being M/s A Y & Co., Chartered Accountants.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter(s)	Shall mean promoters of our Company i.e., Mr. Sunil Kumar Rai, Mrs. Meenakshi Pathak and M/s. Reliable Data Services Limited. For further details, please refer to section titled “Our Promoters and Promoter Group” beginning on page 121 of this Draft Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “Our Promoter and Promoter Group” beginning on page 121 of this Draft Prospectus.
Registered Office	GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India.
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, for the stub period ended on December 31, 2021 and for the years ended March 31, 2021, 2020 and 2019 together with the annexure and notes thereto.
RoC/ Registrar of Companies	Registrar of Companies, Delhi.
Shareholders	Shareholders of our Company
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Subscriber to MOA/Initial Promoters	Initial Subscriber to MOA & AOA being Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak
Stakeholders Relationship Committee	The Stakeholder’s Relationship Committee of our Board constituted in accordance with section 178(5) of the Companies Act, 2013.

## ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Allotment/Allot/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges

Terms	Description
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Prospectus.
Application Form	The form in terms of which the Applicant shall make a Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Prospectus.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)/ Applicant	Any prospective investor who makes an Application pursuant to the terms of the draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the Draft Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “Issue Procedure” on page 202 of this Draft Prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Draft Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>

Terms	Description
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated Stock Exchange	National Stock Exchange of India Limited (SME Platform) ("NSE EMERGE")
DP	Depository Participant
DP ID	Depository Participant's Identity Number
Draft Prospectus	Draft Prospectus dated June 22, 2022 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Account	Accounts opened with the Banker to the Issue
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number.
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering
Issue Closing Date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Opening Date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]

Terms	Description
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. [●] per equity share.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Size	The Public Issue of upto 27,00,000 Equity shares of Rs. 10/- each at issue price of Rs. [●] per Equity share, including a premium of Rs. [●] per equity share aggregating to Rs. [●] Lakhs
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “Objects of the Issue” page 67 of this Draft Prospectus
LM/Lead Manager	Beeline Capital Advisors Private Limited
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of Rs. 10 each at an Issue price of Rs. [●] each aggregating to Rs. [●] Lakhs to be subscribed by Market Maker in this issue.
Memorandum of Understanding / MOU	The Memorandum of Understanding dated April 21, 2022 between our Company and LM.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of Rs. 10 each at a price of Rs. [●] per Equity Share (the “Issue Price”), including a share premium of Rs. [●] per equity share aggregating to Rs. [●].
Non-Institutional Investors / Applicant	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
NSE	National Stock Exchange of India Limited
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI ICDR Regulations.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Prospectus	The prospectus, filed with the RoC in accordance with the provisions of Section 23, 26 and 32 of the Companies Act, 2013.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCsBs from the bank account of the ASBA Applicant, on the Designated Date.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet ‘know your client’ requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Skyline Financial Services Private Limited



Terms	Description
Registrar Agreement	The agreement dated May 14, 2022 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.nseindia.com/membership/content/cat_of_mem.htm">http://www.nseindia.com/membership/content/cat_of_mem.htm</a>
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s)
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self-Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
SME Exchange	SME Platform of the NSE i.e. NSE EMERGE
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
Underwriters	The LM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated [●] entered between the Underwriters, LM and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person’s bank accounts using a payment address which uniquely identifies a person’s bank Account.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Draft Prospectus are open for business:

Terms	Description
	1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Draft Prospectus are open for business. 2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

## COMPANY AND INDUSTRY RELATED TERMS

### Technical and Industry Related Terms

Term	Full Form
AMC	Annual Maintenance Contract
AI	Artificial Intelligence
BPO	Business Process Outsourcing
BFSI	Banking, Financial Services and Insurance
CSP	Communication Service Providers
E2E	End to End
IT	Information Technology
IT & BPM Industry	Information Technology & Business Process Management Industry
ITES	Information Technology Enabled Services
MeitY	Ministry of Electronics and Information Technology
NIELIT	National Institute of Electronics & Information Technology
NASSCOM	The National Association of Software and Service Companies
PDA	Personal Digital Assistant
STPI	Software Technology Park of India

## ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
Banking Regulation Act	The Banking Regulation Act, 1949
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note

<b>Abbreviation</b>	<b>Full Form</b>
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CA	Chartered Accountant
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CIBIL	Credit Information Bureau (India) Limited
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CWA/ICWA/CMA	Cost and Works Accountant
CMD	Chairman and Managing Director
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee’s State Insurance Corporation
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions

Abbreviation	Full Form
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI/ICMAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value

Abbreviation	Full Form
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NSE Emerge	SME Platform of NSE
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle

<b>Abbreviation</b>	<b>Full Form</b>
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
VAT	Value Added Tax
w.e.f.	With effect from
WIP	Work in process
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations
YoY	Year over Year

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of the Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information of our Company”, “Outstanding Litigations and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.

## **CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references in the Draft Prospectus to “India” are to the Republic of India. All references in the Draft Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Kandarp Digi Smart BPO Limited”, “KDSBL”, and, unless the context otherwise indicates or implies, refers to Kandarp Digi Smart BPO Limited. In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **Use of Financial Data**

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Prospectus is derived from our financial statements prepared and restated for the stub period ended on December 31, 2021 and financial year ended on March 31, 2021, 2020 and 2019 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “Financial Information of our Company” beginning on page 134 of this Draft Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “Risk Factors”, “Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “Financial Information of our Company” beginning on page 134 of this Draft Prospectus.

For additional definitions used in this Draft Prospectus, see the section “Definitions and Abbreviations” on page 01 of this Draft Prospectus. In the section titled “Description of Equity Shares and Terms of the Articles of Association”, on page 250 of the Draft Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “INR” or “Rs.” or “₹” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” are to United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Draft Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal place.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Draft prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled “Basis for Issue Price” on page 72 of the Draft Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.



## **FORWARD LOOKING STATEMENTS**

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. We have included statements in the Draft Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;
6. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
7. Inability to successfully obtain registrations in a timely manner or at all;
8. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
9. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
10. Recession in the market;
11. Changes in laws and regulations relating to the industries in which we operate;
12. Effect of lack of infrastructure facilities on our business;
13. Our ability to successfully implement our growth strategy and expansion plans;
14. Our ability to meet our capital expenditure requirements;
15. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
16. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
17. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
18. Conflicts of interest with affiliated companies, group companies, the promoter group and other related parties;
19. The performance of the financial markets in India and globally;
20. Any adverse outcome in the legal proceedings in which we are involved;
21. Our ability to expand our geographical area of operation;
22. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled "Risk Factors"; “Business Overview” & and "Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 20, 88 & 167 respectively of the Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II: OFFER DOCUMENT SUMMARY

### A. PRIMARY DETAIL OF BUISNESS AND INDUSTRY

#### Summary of Business

Kandarp Digi Smart BPO Limited is engaged in BPO services specializing in the area of support services solutions. Our Company provides wide ranges of support services such as Call Centre, Contact Point Verifications, Site Visits, Document check/Pickup, E-KYC, Skip Tracing, Employee Back Check, Staffing Solutions, Payroll Management, Payment Collections (soft), AMC Booking Services etc. to its clients and specializes in providing End to End solutions to customers/clients. We believe in providing efficient and accurate services which is core value of the organization.

For further details, please refer chapter titled “Business Overview” beginning on Page no. 88 of this Draft Prospectus.

#### Summary of Industry

The global sourcing market in India continues to grow at a higher pace compared to the IT-BPM industry. India is the leading sourcing destination across the world, accounting for approximately 55% market share of the US\$ 200-250 billion global services sourcing business in 2019-20.

The IT industry accounted for 8% of India’s GDP in 2020. According to STPI (Software Technology Park of India), software exports by the IT companies connected to it, stood at Rs. 1.20 lakh crore (US\$ 16.29 billion) in the first quarter of FY22.

For further details, please refer chapter titled “Industry Overview” beginning on Page no. 78 of this Draft Prospectus.

### B. OUR PROMOTERS

Our company is promoted by Mr. Sunil Kumar Rai, Mrs. Meenakshi Pathak and M/s. Reliable Data Services Limited

### C. SIZE OF THE ISSUE

Public Issue of upto 27,00,000 Equity Shares of Face Value of ₹10/- each of Kandarp Digi Smart BPO Limited (“KDSBL” or “Our Company”) for Cash at a Price of [●] Per Equity Share (Including a Share Premium of [●] per Equity Share) (“Issue Price”) aggregating to [●] Lakhs, of which [●] Equity Shares of Face Value of ₹ 10/- each at a price of [●] aggregating to [●] Lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of [●] Equity Shares of Face Value of ₹10/- each at a price of [●] aggregating to [●] Lakhs (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute [●] and [●] respectively of the Post Issue paid up Equity Share Capital of Our Company.

### D. OBJECT OF THE ISSUE

The fund requirements for each of the Object of the Issue are stated as below:

S. No	Particulars	Amt. (₹ in Lakhs)	% of Total Issue Size
1.	To Meet Working Capital Requirement	[●]	[●]
2.	General Corporate Expenses	[●]	[●]
3.	Public Issue Expenses	[●]	[●]
<b>Gross Issue Proceeds</b>		[●]	[●]
<b>Less: Issue Expenses</b>		[●]	
<b>Net Issue Proceeds</b>		[●]	

### E. PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

S. No	Names	Pre-Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
<b>Promoters</b>					
1.	Mr. Sunil Kumar Rai	1,26,000	2.01	1,26,000	[●]
2.	Mrs. Meenakshi Pathak	5,00,400	7.98	5,00,400	[●]

3.	M/s Reliable Data Services Limited	56,43,000	89.95	56,43,000	[●]
	<b>TOTAL (A)</b>	<b>62,69,400</b>	<b>99.94</b>	<b>62,69,400</b>	[●]
	<b>Promoter Group</b>				
1.	Mr. Rakesh Jha	900	0.01	900	[●]
2.	Mr. Sandeep Kumar Jha	900	0.01	900	[●]
3.	Mr. Anil Kumar Jha	900	0.01	900	[●]
4.	Mr. Sanjay Kumar Pathak	900	0.01	900	[●]
	<b>TOTAL (B)</b>	<b>3,600</b>	<b>0.06</b>	<b>3,600</b>	[●]
	<b>GRAND TOTAL (A+B)</b>	<b>62,73,000</b>	<b>100.00</b>	<b>62,73,000</b>	[●]

For further details, refer chapter titled “Capital Structure” beginning on page no. 50 of this Draft Prospectus.

## F. SUMMARY OF RESTATED FINANCIAL STATEMENT

### Restated Financials

(Rs. in Lakhs)

Particulars	December 31, 2021	For the year ended March 31,		
		2021	2020	2019
Share Capital	69.70	69.70	69.70	69.70
Net Worth	772.53	700.58	690.02	578.48
Total Revenue	899.28	1053.55	1012.59	1106.67
Profit after Tax	71.23	10.56	111.54	148.09
Earnings Per Share	1.14	0.17	1.78	2.36
Net Asset Value Per Share (₹)	110.84	100.51	99.00	83.00
Total Borrowings	283.67	292.74	173.07	120.54

G. There are no material Auditor’s Qualifications in any of the Financial Statements of the Company.

## H. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS:

### Cases against our Company

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	5	109.31
Other Litigation	--	--

### Cases filed by our Company

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	--	--
Other Litigation	3	Amount not ascertainable

### Cases against our Directors and Promoters: -

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation - Taxation	4	6.58
Other Litigation	--	--

For further information, please refer chapter titled “Outstanding Litigations and Material Developments” on page no. 175 of this Draft Prospectus.

I. Investors should read chapter titled “Risk Factors” beginning on page no. 20 of this Draft Prospectus to get a more informed view before making any investment decisions.

## J. SUMMARY OF CONTINGENT LIABILITIES

Particulars	As at			
	31.12.2021	31.03.2021	31.03.2020	31.03.2019
Contingent liabilities in respect of:	-	-	-	-
Outstanding Tax Demand with Respect to Sales Tax AY 2014-15	-	-	-	-
Income Tax Demand	-	-	-	103.31
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
<b>Total</b>	-	-	-	<b>103.31</b>

For further information, please refer “Annexure H - Contingent Liability” under chapter titled “Financial Information of our Company” on page no. 134 of this Draft Prospectus.

## K. SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

### (i) List of Related Parties and Nature of Relationship:

Particulars	Name of Related Parties
a) Key Management Personnel's	Meenakshi Pathak
	Sunil Kumar Rai
	Anil Khullar
	Pankaj Rai
b) Sister Concern	Authentic Healthcare Services Private Limited
	Ascent Keyboardlabs Technologies pvt Ltd
	Reliable Data Services Ltd.
	Authentic Developers pvt Ltd.
	Sharp Eagle Investigation pvt. Ltd.
	Vibrant Educare pvt. Ltd.
	Factoring Management Services India pvt. Ltd.
	Sanjay K Pathak & Associates
RDS Allied Services Private Limited	

### (ii) - Transactions carried out with related parties referred to in (i) above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	As at 31st December	As at March 31		
		2021	2021	2020	2019
<b>1. Directors Remuneration</b>	Anil Khullar	-	21.00	21.00	21.00
<b>Total</b>		-	<b>21.00</b>	<b>21.00</b>	<b>21.00</b>
<b>2. Services Received</b>	Authentic Developers Private Limited	-	58.93	64.67	64.48
	Ascent Keyboardlabs Technologies Private Limited	-	-	-	6.24
	Reliable Data Services Limited	-	86.45	72.49	48.97
	Sharp Eagle Investigation Pvt. Ltd.	87.75	-	-	-
	Vibrant Educare Pvt. Ltd.	151.26	189.89	-	-
<b>3. Services Rendered</b>	Authentic Developers Private Limited	-	-	-	0.46
	Reliable Data Services Limited	3.23	1.04	1.59	23.10
	Authentic Healthcare Services Private Limited	34.08	30.83	30.29	64.45
	Sharp Eagle Investigation Pvt. Ltd.	3.68	-	55.75	33.55

	Vibrant Educare pvt. Ltd.	117.65	-	14.00	42.63
	Factoring Management Services India pvt. Ltd.	-	-	-	18.47
	Ascent Keyboardlabs Technologies Private Limited	-	-	5.36	-
	Sanjay K Pathak & Associates	0.28	-	-	-
	RDS Allied Services Private Limited	-	-	16.52	-
<b>4. Trade Advance Given(Taken)</b>	Reliable Data Services Limited	-	-	-	56.58
	Reliable Data Services Limited	-	-	-	(54.82)
	Authentic Healthcare Services Private Limited	-	-	-	1.25
	Authentic Healthcare Services Private Limited	-	-	-	(1.25)
<b>5. Unsecured Loan</b>	<b>Sanjay K Pathak &amp; Associates</b>				
	Opening Balance	8.69	8.19	5.73	2.37
	Add: Loan Received During the Year	1.00	3.00	2.46	3.36
	Less: Load Repaid During the year	1.00	2.50	-	-
	Closing Balance	<b>8.69</b>	<b>8.69</b>	<b>8.19</b>	<b>5.73</b>
	<b>Reliable Data Services Limited</b>				
	Opening Balance	138.33	63.47	(1.76)	-
	Add: Loan Received During the Year	114.57	178.79	65.23	54.82
	Less: Load Repaid During the year	173.01	103.93	-	56.58
	Closing Balance	<b>79.89</b>	<b>138.33</b>	<b>63.47</b>	<b>(1.76)</b>
	<b>Sharp Eagle Investigation Pvt. Ltd.</b>				
	Opening Balance	-	0.50	-	-
Add: Loan Received During the Year	-	-	0.50	-	
Less: Load Repaid During the year	-	0.50	-	-	
Closing Balance	-	-	<b>0.50</b>	-	

(iii) - Outstanding Balance as at the end of the year

(Rs. In Lakhs)

	Particulars	31.12.2021	31.03.2021	31.03.2020	31.03.2019
1. Payables	Reliable Data Services Limited	299.82	239.96	152.71	79.69
	Authentic Developers Private Limited	99.41	64.19	23.88	4.18
	Ascent Keyboardlabs Technologies Private Limited	-	-	0.28	-
	Sharp Eagle Investigation Private Limited	62.40	0.69	0.50	
	Sanjay K Pathak & Associates	9.38	8.69	8.19	5.73
	Vibrant Educare Private Limited	120.27	179.65	-	-
<b>Total</b>		<b>591.28</b>	<b>493.16</b>	<b>185.56</b>	<b>89.59</b>
	Particulars	31.12.2021	31.03.2021	31.03.2020	31.03.2019
2. Receivables	Authentic Healthcare Services Private Limited	4.58	88.82	77.65	68.60
	Sharp Eagle Investigation Private Limited	0.35	26.66	63.95	18.71
	Vibrant Educare Private Limited	15.65	-	16.24	-
	Sanjay K Pathak & Associates	0.24	0.24	0.12	-
	Reliable Data Services Limited	0.00	-	-	1.76
RDS Allied Services Private Limited	10.47	10.47	19.17	-	
<b>Total</b>		<b>31.30</b>	<b>126.19</b>	<b>177.12</b>	<b>89.07</b>

For details of Restated related party transaction, please refer “Annexure J – Related Party Transaction” under chapter titled “Restated Financial Statements” beginning on page no. 134 of this Draft Prospectus.

**L.** There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Draft Prospectus.

**M.** The weighted average price of acquisition of Equity Shares by our Promoters in last one year is:

Our Promoters has acquired Equity Shares in last year through Bonus Issue of Shares. For further details refer chapter titled “Capital Structure” beginning on page no. 50 of this Draft Prospectus.

**N.** The average cost of acquisition of Equity Shares by our Promoters is:

<b>Name of the Promoters</b>	<b>No. of Shares held</b>	<b>Average Cost of Acquisition per Share (In Rs.)*</b>
Mr. Sunil Kumar Rai	1,26,000	0.16
Mrs. Meenakshi Pathak	5,00,400	0.08
M/s. Reliable Data Services Limited	56,43,000	3.49

\*Average cost of acquisition is calculated on the basis of face value of equity shares of Rs. 10/- each.

**O.** Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.

**P.** Except as disclosed in this Draft Prospectus, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus

**Q.** Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus.

**R.** As on date of the Draft Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI

### **SECTION III - RISK FACTORS**

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 88 and 167, respectively, as well as the other financial and statistical information contained in this Draft Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.*

*This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" on page 20 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 167 respectively of this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Financial Information of our Company" prepared in accordance with the Indian Accounting Standards.*

#### **Materiality**

The Risk factors have been determined and disclosed on the basis of their materiality. The following factors have been considered for determining the materiality:

1. Some events may have material impact quantitatively;
2. Some events may have material impact qualitatively instead of quantitatively;
3. Some events may not be material individually but may be found material collectively;
4. Some events may not be material at present but may be having material impact in future.

#### **INTERNAL RISK FACTORS**

1. ***Our business is highly dependent on technology and any disruption or failure of our technology systems may affect our operations.***

We believe that our technological capabilities play a key role in helping us effectively manage our operations, maintain operational and fiscal controls, and support our efforts to enhance client service levels. Our business is significantly dependent on the efficient and uninterrupted operation of our technology infrastructure and systems to provide our support services and back-office processing. For further details of our business, see "Business Overview" on page 88 of this Draft Prospectus.

We expect our clients to continue to demand more sophisticated and customized solutions. We may lose clients and our business could be affected if we fail to implement and maintain our technology systems or fail to upgrade or replace our technology systems to handle increased volumes, meet the demands of our clients and protect against disruptions of our operations. Our operating efficiency may decline and our growth may suffer if our technology systems are unable to handle additional volume of our operations as we grow. Some of our existing technologies and processes in the business may become obsolete or perform less

efficiently compared to newer and better technologies and processes in the future. Certain of our competitors may have access to similar or superior technology or may have better adapted themselves to technological changes. The service industry could also experience unexpected disruptions from technology-based start-ups. The cost of upgrading or implementing new technologies, upgrading our systems or expanding their capacity could be significant and could affect our business, operations, financial condition and results of operations.

**2. *Our failure to perform in accordance with the standards prescribed in our client contracts could result in loss of business or payment of liquidated damages.***

We enter into various contracts with our clients such as banks and financial services companies. Certain of these contracts may require us to comply with the code of conduct and rules and regulations prescribed by our clients, which may increase our compliance costs. We may be unable to effectively address service constraints or accurately predict service requirements, as a result of which our clients may experience service shortfalls.

Any disruptions to our businesses, including as a result of actions outside of our control, could significantly impact the continued performance of our contractual obligations to meet the quality or performance standards set out in our client contracts which may in-turn harm and cause clients to terminate their contracts with us, impair our ability to obtain renewal of our contracts from existing clients and impair our ability to grow our client base, any of which could affect our business, financial condition and results of operations. In certain instances, we may also be required to bear consequential liability. In the event there is an increase in liability against us, our business, financial condition and results of operations may be affected.

For further details of our business, please refer section titled “Business Overview” on page 88 of this Draft Prospectus.

**3. *The properties used by the Company for the purpose of its operations are not owned by us. Any termination of the relevant lease agreement or rent agreement in connection with such properties or our failure to renew the same could adversely affect our operations.***

Our registered office is located at GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India and the same is not owned by us. We have obtained this property on rent from our promoter company RDSL through Rent Agreement dated September 20, 2021 starting from the date of agreement for a period of 11 months.

Further our corporate office is situated at C- 69, C Block, Sector 2, Noida, Uttar Pradesh 201301, India and our Branch office located at Old No. 7, New No. 13, First Street, Nandanam Extention, Chennai – 600035, Tamil Nadu, India are also not owned by us. We have obtained these properties on rent for period of 11 months.

Any termination of the lease in connection with these properties or our failure to renew the same, in a timely manner or at all could adversely affect our operations.

For details regarding properties taken on lease refer the Section titled —Properties – “Business Overview” beginning on page no. 88 of this Draft Prospectus.

**4. *If our customers default in their repayment obligations, our business, results of operations, financial condition and cash flows may be adversely affected.***

Our customers may default on their obligations to us due to a variety of factors, including as a result of their bankruptcy, lack of liquidity, government or other regulatory intervention, other reasons such as their inability to adapt to changes in the macro business environment or any other factors which impact their incomes. Additionally, some customers may intentionally default on their repayment obligations. For instance, in past our debtor has defaulted in payment of dues for which our company has filed an application to NCLT for corporate insolvency process under section 9 of IBC Code, 2016 against such debtor.

Further if any such case arises in future, it will impact the financial condition of our company and we need to involve in legal matters for realization of pending dues. Also such adverse impact may limit our ability to recover the dues from such customers and the predictability of our cash flows. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients and increasing credit losses due to financial difficulties of customers could adversely affect our business, financial condition, results of operations and cash flows.

For further details of our business, please refer section titled “Business Overview” on page 88 of this Draft Prospectus.



**5. *If we are unable to respond to the demands of our existing and new clients, or adapt to technological changes, our business and growth could be adversely affected.***

Our business is characterized by increasingly complex and integrated infrastructure and services, new and changing business models and rapid technological. Our clients' needs and demands for our services evolve with these changes. Our future success will depend, in part, on our ability to respond to our clients' demands for new services, capabilities and technologies on a timely and cost-effective basis and to provide a wide range of services.

Transitioning to new technologies may be disruptive to our resources and the services we provide. The process of developing our platform is also extremely complex and is expected to become increasingly complex and expensive in the future due to the introduction of new platforms, operating systems and technologies. If we fail to adapt or keep pace with new technologies in a timely manner, provide customers with better services, or retain and attract skilled staff, it could harm our ability to compete, decrease the value of our services to our clients, and adversely affect our business and future growth. In addition, there may be circumstances when our clients are dissatisfied with our services due to which our business, financial condition, reputation or results of operations could be materially adversely affected.

For further details of our business, please refer section titled "Business Overview" on page 88 of this Draft Prospectus.

**6. *We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire.***

As of December 31, 2021, our long-term borrowings were ₹ 18.76 Lakhs & short term borrowings were ₹ 264.91 Lakhs and we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our ability to borrow additional amounts in the future;
- affecting our capital adequacy requirements; and
- Increasing our finance costs.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. Also, our company has not yet received NOC and Consent from Banker to the Company. For further details of our Company's borrowings, see "Financial Information of our Company" on page 134 of this Draft Prospectus.

**7. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an effect on our business, results of operations and financial condition.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to developed relationships with customer. For further details, see the section titled "Business Overview" on page 88 of this Draft Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our service;
- Changes in the Indian regulatory environment in field of service industry

There can be no assurance that we will be able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. We cannot assure you that we will not face any time or cost overruns in respect of implementation of our strategies in the future. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have effect on our business, financial condition and profitability.

**8. We require certain approvals and licenses in the ordinary course of business and the failure to successfully obtain such registrations would adversely affect our operations, results of operations and financial condition.**

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to change in name and conversion of company from private to public Company.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations. For instance, we are yet to apply for Registration under Shop and Establishment Act for our registered office, Corporate Office and branch office. Furthermore, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, see “Government and Other Approvals” on page 180 of this Draft Prospectus.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

**9. There are outstanding legal proceedings involving our Company, Directors and Promoters. Any adverse decision in such proceedings may have an material adverse effect on our business, results of operations and financial condition.**

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities.

We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending civil and other proceedings involving the Company is provided below:

**Cases against our Company**

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	5	109.31
Other Litigation	--	--

**Cases filed by our Company**

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	--	--
Other Litigation	3	Amount not ascertainable

**Cases against our Directors and Promoters: -**

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--

Other Litigation - Taxation	4	6.58
Other Litigation	--	--

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. Also documents related to some of these cases are not available in records of the Company, hence the information related them are not ascertainable. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

For further details of legal proceedings involving the Company, please see “Outstanding Litigations and Material Developments” beginning on page 175 of this Draft Prospectus

**10. We depend on skilled personnel and if we are unable to recruit and retain skilled personnel, our ability to operate or grow our business could be affected.**

Our services are manpower intensive and we engage a considerable number of skilled personnel every year to sustain our growth. Further, we spend significant time and resources in training the manpower we hire. Our success is substantially dependent on our ability to recruit, train and retain skilled manpower.

High attrition and competition for manpower may limit our ability to attract and retain the skilled manpower necessary for our future growth requirements. We cannot assure you that skilled manpower will continue to be available in sufficient numbers suitable to our requirements or that we will be able to grow our workforce in a manner consistent with our growth objectives, which may affect our business, financial condition, results of operations and prospects.

For further details of our employees, please refer chapter titled “Business Overview” beginning on Page 88 of this Draft Prospectus.

**11. Misconduct or errors by manpower engaged by us could expose us to business risks or losses that could affect our business prospects, results of operations and financial condition.**

Misconduct or errors by manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our business. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. The risks associated with the deployment of manpower engaged by us include, among others, possible claims relating to:

- Actions or inactions, including matters for which we may have to indemnify our clients;
- Our failure to adequately verify personnel backgrounds and qualifications resulting in deficient services;
- Failure of manpower engaged by us to adequately perform their duties or absenteeism;
- Errors or malicious acts or violation of security, privacy, health and safety regulations; and

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and effect our business. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and consequently, our business, financial condition, results of operations and prospects.

**12. Our registered office from where our operations are carried out is shared between our Company with our Holding Company and Group Companies.**

Our Registered Office situated at GF-22, Hans Bhawan, 1, Bahadur Shah Zafar Marg, ITO, New Delhi East Delhi, Delhi– 110002, India is shared with our group Companies including our holding company. Any dispute arises in future between our holding company and our group companies, consequences to which we may have to change our registered office and place of operations from where we are presently operating. Also the change in registered office will affect our business operations.

For further details regarding ownership of our registered office, please refer chapter titled “Business Overview” beginning on Page 88 of this Draft Prospectus.

**13. Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.**

As on December 31, 2021, our total secured borrowings amounted to Rs. 168.30 Lakhs from Banks. Our leverage has several important consequences, including the following:

- A portion of our cash flow will be used towards repayment of debt, which will reduce the availability of cash to fund working capital requirements, capital expenditures and other general corporate purposes;
- Our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted;
- Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest; and
- Our financing agreements require comply with financial or restrictive covenants or periodic reporting requirements, non-adherence to which may accelerate repayment or increase applicable interest rates or trigger cross-default or cross-acceleration under other financing agreements.

The termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and, therefore, have an effect on our business, results of operations and prospects.

For further details of our loans, please refer chapter titled “Financial Information of our Company” beginning on Page 134 of this Draft Prospectus.

**14. There have been some instances of delays and non-filing in the past with certain statutory authorities and non-compliances with certain provision of statutory regulations applicable to us. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.**

In the past, there have been some instances of delays in filing statutory forms with the RoC such as Form DIR-12 and DPT-3 was filed under the CFSS Scheme, 2020 of MCA without any penalty and delay filing of PAS-3 which was filed with penalty. In addition to above, our Company has inadvertently filed incorrect Annual Returns with respect to the categories of shareholders and Directors etc. Further our Company has not filed charge for movable property in ROC and our Company has taken loan from Promoter Group Companies and Entities. While no legal proceedings or regulatory action has been initiated against our Company in relation to such non-compliance and instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC as of the date of this Draft Prospectus.

We cannot assure you that legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to penalties imposed by regulatory authorities in this respect. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

**15. We have entered into and may enter into related party transactions in the future also.**

Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge. Our Company had entered into various transactions with our Directors and Group Companies/ Entities. These transactions, inter-alia includes remuneration, loans and advances and services rendered and services received etc. Our Company entered into such transactions at arm length price and due to easy proximity and quick execution.

However, there is no assurance that we could not have obtained better and more favourable terms that our Company not entered into such related party transactions. Our Company may enter into such transactions in future also and we cannot assure that in such an event there would be no adverse effect on results of our operations. For details, please refer to Annexure J on Related Party Transactions of the Auditor’s Report under Section titled “Financial Information of our Company” beginning on page no. 134 of this Draft Prospectus.

**16. Our director and their relative have provided personal guarantees for loans availed by our Company. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the invocation of all or any personal guarantees.**

Our director and their relative have provided personal guarantees to secure our existing borrowings, and may post listing continue to provide such guarantees and other security. In case of a default under our loan agreements, any of the personal guarantees provided by our director and their relative may be invoked, which could negatively impact the reputation of our Company. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. Also if our Director and their relative revoke their personal guarantees and we may not be successful in procuring alternate guarantees to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

For further details regarding loans availed by our Company, please refer “Financial Information of our Company” on page no. 134 of this Draft Prospectus.

**17. We have significant ongoing funding requirements and may not be able to raise additional capital in the future. As a result, we may not be able to respond to business opportunities, challenges or unforeseen circumstances.**

Our major fund based financial assistance has been sanctioned by the bank, i.e., the HDFC Bank Limited on the security of assets. The Company is dependent on HDFC Bank Limited for its Working Capital requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also affect the financial position of the Company. If we are unable in the future to generate sufficient cash flow from operations or borrow the necessary capital to fund our future requirements, we will be forced to limit our growth. In addition, we may not be able to service our existing customers or to acquire new customers. The inability to raise additional capital on acceptable terms could have a effect on our business, results of operations and financial condition.

For further details of our loans, please refer chapter titled “Financial Information of our Company” beginning on Page 134 of this Draft Prospectus.

**18. Our success is dependent on our Promoters, senior management and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our Promoters or Managing Director and Whole Time Directors may have an adverse effect on our business prospects.**

Our Promoters, Managing Director, Whole Time Director and senior management have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our senior management team. Our Managing Director Mr. Sunil Kumar Rai and whole-time Director Mrs. Meenakshi Pathak are having experience of 27 years and 12 years respectively in BPO Industry which turn out beneficial for the Company. An inability to retain any key managerial personnel may have an adverse effect on our operations. Our ability to execute contracts and to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be unable to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our directors or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects.

The success of our business is also dependent upon our ability to hire, retain, and utilize qualified personnel and corporate management professionals who have the required experience and expertise. From time to time, it may be difficult to attract and retain qualified individuals with the requisite expertise and we may not be able to satisfy the demand from customers for our Products because of our inability to successfully hire and retain qualified personnel.

For further details of our Promoters and Management, please refer chapter titled “Our Promoters and Promoter Group” and “Our Management” beginning on Page 121 & 110 of this Draft Prospectus.

**19. The unsecured loan availed by our Company from NBFC and others may be recalled at any given point of time.**

Our Company has been availing unsecured loans from NBFC, Holding Company and Promoter Group Entity from time to time. The total outstanding payable to them as on December 31, 2021 amounts to Rs. 115.37 Lakhs. Although there are no terms and

condition prescribed for repayment of unsecured loan which can be recalled at any given point of time during ordinary course of business and thus may affect the business operations and financial performance of our Company.

For further details regarding loans availed by our Company, please refer “Financial Information of our Company” on page 134 of this Draft Prospectus.

***20. Our top ten customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top ten customers have contributed 68.15% of our revenues for the year ended December 31, 2022 based on Restated Financial Statements. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business, we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification.

Accordingly, we cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long-term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

***21. If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.***

We benefit from certain general tax regulations and incentives that accord favourable treatment of our operations. These tax benefits include income tax deductions and other taxes. For details regarding income tax deductions, please refer to the chapter “Statement of Possible Tax Benefits” on page 74 of this Draft Prospectus.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

***22. Our Company is exposes to risk of erroneous errors and financials fraud in providing our services.***

Our Company provide Voice based support services, Field support services, Back-office processing services and allied Services to our various customers which is exposes to risk of erroneous errors and financials fraud during the processing the data. Any of errors and fraud occurred in data processing will impact our operation and reliability with our customers. For further details of our Business, kindly refer section titled “Business Overview” beginning on page 88 of this Draft Prospectus.

***23. We are yet to apply for registration in connection with the protection of our intellectual property right, especially our trademark. Such failure to protect our intellectual property right could affect our competitive position, business, financial condition and profitability.***

We are yet to apply for registration of our trademark in connection with the protection of intellectual property rights. The registration of any intellectual property right is a time-consuming process, and there can be no assurance that any such registration will be granted. For details, please refer to the chapter “Government and other Approvals” on page 180 of this Draft Prospectus. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. Unless our trademark is registered, we may only get passing off relief for our Trademark, if used by others, which could materially and affect our business. Similarly, in case our trademark is rejected or objected, this could affect our competitive position, business, financial condition and profitability.

Further, if our unregistered trademark is registered in favours of a third party, we may not be able to claim registered ownership of such trademark, and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. Our inability to obtain or maintain registration may affect our competitive business position.

**24. We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.**

Our Company had reported certain negative cash flows from investing activities and financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

**(Rs. in Lakhs)**

Particulars	For the period ended	For the year ended March 31,		
	December 31, 2021	2021	2020	2019
Cash flow from Operating Activities	19.48	164.75	63.68	88.79
Cash flow from Investing Activities	0.04	(272.58)	(132.69)	(135.61)
Cash flow from Financing Activities	(24.54)	95.84	26.04	67.13

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations. For further please refer chapter titled “Financial Information of our company” beginning on Page 134 of this Draft Prospectus.

**25. Our Promoters and Executive Directors hold Equity Shares in our Company and are therefore interested in the Company’s performance in addition to their remuneration and reimbursement of expenses.**

Our Promoters and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see “Our Management” and “Our Promoters and Promoter Group” on pages 110 and 121 respectively of this Draft Prospectus.

**26. The restated financial statements have been provided by peer reviewed chartered accountants who is not statutory auditor of our Company.**

The Restated Financial Information of our Company as disclosed in section titled “Restated Financial statements” beginning on Page no. 134 of this Draft Prospectus for the period ended December 31, 2021 and for the year ended on March 31, 2021, March 31, 2020 and March 31, 2019 are provided by peer reviewed chartered accountants who is not the statutory Auditor of our Company.

**27. Reliance has been placed on declarations and affidavits furnished by certain of our directors for details of their profiles included in this Draft Prospectus.**

Our Directors has been unable to trace copies of certain documents pertaining to his educational qualifications and experience. Our Company has obtained confirmations from him that he has made his best efforts to procure the relevant supporting documents for these disclosures being made in this Draft Prospectus and in spite of such efforts, certain documents were not traceable. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by them to disclose details of their educational qualifications and experience in this Draft Prospectus and we have not been able to independently verify these details. Therefore, we cannot assure you that all information relating to the educational qualifications & experience of our Directors included in section titled “Our Management” beginning on page 110 of this Draft Prospectus are complete, true and accurate.

**28. We are subject to the risk of failure of, or a material weakness in, our internal control systems.**

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations.

**29. *Our operating results could be adversely affected by weakening of economic conditions due to lock-down in all parts of India and other parts of world & other situation due to pandemic Covid-19.***

Our overall performance depends in part on the economic conditions of India. Certain economies have experienced periods of downturn due to the present situation prevailing in India and outside India due to pandemic disease of Covid-19 which impacts financial markets, concerns regarding the stability and viability of major financial institutions, declines in gross domestic product, increases in unemployment, volatility in commodity prices and worldwide stock markets, and excessive government debt. The pandemic disease has adversely affected our business.

Moreover, the instability in the global economy affects countries in different ways, at different times and with varying severity, which makes the impact to our business unforeseeable and indeterminate. Any of these events, as well as a general weakening of, or declining corporate confidence in the global economy have a material adverse effect on our business, operating results and financial condition.

**30. *Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.***

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, including related to our movable property, provide appropriate coverage in relation to fire, explosions, floods, inundations, earthquakes, landslides we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.

**31. *Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.***

Our Company is incorporated in India, and our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters
- Other significant regulatory or economic developments in or affecting India or its agrochemical industry.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

**32. *The future operating results are difficult to predict and may fluctuate or adversely vary from the past performance.***

The company's operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company's control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the products and services offered by the us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the



future performance may fluctuate or adversely vary from our past performances and may not be predictable. For further details of our operating results, section titled “Financial Information of our Company” beginning on Page 134 of this Draft Prospectus.

**33. We have not independently verified certain data in this Draft Prospectus.**

We have not independently verified data from the Industry and related data contained in this Draft Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**34. We are susceptible to risks relating to unionization of our employees employed by us.**

None of our employees are currently represented by a recognized collective bargaining agreement. We cannot assure you that our employees will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced employee benefits. We also cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our workforce. If not resolved in a timely manner, these risks could limit our ability to provide our products to our clients, cause clients to limit their use of our products or result in an increase in our cost of employee benefits and other expenses. If any of these risks materialize, our business, results of operations and financial condition could be affected.

**35. Any Penalty or demand raise by statutory authorities in future will affect our financial position of the Company.**

Our Company is mainly engaged in business of providing support Services which attracts tax liability such as Income tax & Goods and Service Tax and other applicable provision of the Acts. Any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of the Company. For detail, please refer “Outstanding Litigations and Material Development” beginning on page 175 of this Draft Prospectus. Any such penalty arising in future may lead to financial loss to our Company.

**36. Any increase in or occurrence of our contingent liabilities and commitments may adversely affect our financial condition.**

Our contingent liabilities as indicated in our restated statements are as follows:

Particulars	For the period ended on December, 2021	For the year ended on March 31, 2021	For the year ended on March 31, 2020	For the year ended on March 31, 2019
Contingent Liabilities – Income Tax Liability	--	--	--	103.31
Other Commitments	--	--	--	--

Any increase in our contingent liabilities or occurrence of these liabilities may materially and adversely affect our financial position, results of operations and cash flows. For further details of our contingent liabilities, Please refer to chapter titled “Financial Information of our Company” beginning on Page 175 of this Draft Prospectus.

**37. One Promoter Company is listed on NSE Emerge. Any non-Compliance under applicable regulation will impact our Company and or Promoters.**

Our Promoter Company, Reliable Data Services Limited is listed on NSE Emerge. As being listed company, various regulations of Securities and Exchange of Board of India are applicable on our Promoter Company and any non-compliances under applicable regulation may lead to penalty and action taken against our corporate Promoters which may impact their financial conditions and may divert the management attention which indirectly impact our Company. Additionally, our Promoter Company has incurred penalty from stock Exchange for delay in compliance with regard to Bonus Issue of Shares. Any such penalty raise in future will impact the financial position our Promoter Company.

For further details regarding Promoter Company, Please refer section titled “Our Promoter and Promoter Group” beginning on page 121 of the Draft Prospectus.

**38. *Our Company's management will have flexibility in utilizing the Net Proceeds from the Issue. The deployment of the Net Proceeds from the Issue is not subject to any monitoring by any independent agency.***

Our Company intends to primarily use the Net Proceeds towards working capital requirement and for general corporate purposes as described in "Objects of the Issue" on page 67 of this Draft Prospectus. In terms of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

**39. *Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds for raising funds for working capital Requirement. For further details of the proposed objects of the Issue, please refer the chapter titled "Objects of the Issue" beginning on Page No. 67 of this Draft Prospectus. At this juncture, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders of our Company may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity.

In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

**40. *We have not identified any alternate source of raising the working capital mentioned as our 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

Our Company has not identified any alternate source of funding for our working capital requirement and for general corporate purposes and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of working capital or may require our Company to borrow funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the Company.

For further details of our Object for the Issue, please refer chapter titled "Object for the Issue" beginning on Page 67 of this Draft Prospectus.

**41. Our funds requirements are based on internal management estimates, wherever possible, and have not been appraised by any bank or financial institution. Any increase in the actual deployment of funds may cause an additional burden on our finance plans. We have not entered into definitive agreements to utilize our Issue proceeds.**

The fund requirement mentioned as a part of the Objects of the Issue is based on internal management estimates, wherever possible, and has not been appraised by any bank or financial institution or any external agency. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, etc. With increase in costs, our actual deployment of funds may exceed our estimates and may cause us an additional burden on our finance plans. As on the date of the Draft Prospectus, we have not entered into any definitive agreements for implementing the Objects of the Issue.

For more information, please refer to “Objects of the Issue” on page 67 of the Draft Prospectus.

**42. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●] of the Issue Proceed. As on date we have not identified the use of such funds.**

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●] of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details, please refer the chapter titled “Objects of the Issue” beginning on Page No. 67 of this Draft Prospectus.

**43. We have in the last 12 months issued Equity Shares at a price that may be at lower than the Issue Price.**

In the last 12 months we may have issued fresh Equity Shares to the promoters and other shareholders of our Company which are as follows: -

- Bonus issue in the ratio of 8:1 dated January 31, 2022 issuing 55,76,000 Equity shares face value ₹ 10/- per Equity Share for consideration other than cash.

The Equity Shares allotted to investors pursuant to this Issue is being priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time.

For Further details of equity shares issued, please refer to the chapter titled “Capital Structure” beginning on page 50 of the Prospectus.

**44. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.**

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapters “Capital Structure” beginning on page 50 of this Draft Prospectus.

**45. We have not paid any dividends in the past Financial Years. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.**

Our ability to generate returns for Shareholders is dependent on a host of factors that impact our business and financial condition. Our Company has not paid any dividend on its Equity Shares in the past Financial Years. The amount of future dividend payments, if any, will depend upon a number of factors, such as our future earnings, financial condition, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions, capital expenditures and cost of indebtedness.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing agreements our Company may enter into. Even in years in which we may have profits, we may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. There can therefore be no assurance that we will be able to pay dividends in the future. For further details, see section "Dividend Policy" on page 133 of this Draft Prospectus.

***46. We will continue to be controlled by our Promoter and Promoter Group after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

As on the date of this Draft Prospectus, our Promoter and Promoter Group hold 100% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Issue, our Promoter and Promoter Group will continue to hold together [●] of our post-Issue Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

For further details regarding our shareholding, please refer to chapter titled "Capital Structure" beginning on Page 50 of this Draft Prospectus.

***47. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Issue, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.***

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is determined considering various financial factors of the Company and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment

***48. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

***49. The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares has been determined on the basis of the Fixed Price Issue. This price is based on numerous factors. For further information, see "Basis for Issue Price" beginning on page 72 of this Draft Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**50. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.**

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

**51. The requirements of being a listed company may strain our resources and distract management.**

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur additional legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI Listing Regulation, 2015 which would require us to file audited annual and unaudited semi-annual and limited review reports with respect to our business and financial condition. If we delay making such filings, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

**52. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.**

Our growth is dependent on having a balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

## **EXTERNAL RISK FACTORS**

***53. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

***54. Our business and activities may be further regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.***

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the “CCI”). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls the production, supply or distribution of goods and services, or shares the market or source of production or providing of services by way of allocation of geographical area or type of goods or services or number of customers in the relevant market or in any other similar way, is presumed to have an appreciable adverse effect on competition and shall be void.

Further, the Competition Act prohibits the abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees are penalized under the Competition Act, our business may be adversely affected. Further, the Competition Act also regulates combinations and requires approval of the CCI for effecting any acquisition of shares, voting rights, assets or control or mergers or amalgamations above the prescribed asset and turnover based thresholds.

On March 4, 2011, the Government of India notified and brought into force new provisions under the Competition Act in relation to combined entities (the “Combination Regulation Provisions”), which came into effect from June 1, 2011. The Combination Regulation Provisions require that any acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, must be notified to and preapproved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (as amended). These regulations, as amended, set out the mechanism for the implementation of the Combination Regulation Provisions under the Competition Act.

***55. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.***

The goods and service tax (“GST”) that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments.

As regards the General Anti-Avoidance Rules (“GAAR”), The general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an “impermissible avoidance arrangement”, if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a

significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

***56. You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.***

Under the Companies Act, a company incorporated in India must offer its shareholders pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares who have voted on the resolution, or unless the company has obtained approval from the Government of India to issue without such special resolution, subject to votes being cast in favour of the proposal exceeding the votes cast against such proposal. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without our Company filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless our Company makes such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in our Company would be reduced.

***57. Political, economic or other factors that are beyond our control may have an adverse effect on our business, results of operations and cash flows.***

We currently operate only in India and are dependent on domestic, regional and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent on the IT industry of the Indian economy. There have been periods of slowdown in the economic growth of India. For instance, the present situation of lock-down is prevailing in India due to pandemic Covid-19 spread in India and all other parts of world. If such condition prevail for longer time the Demand for our products & services may be adversely affected by an economic downturn in domestic, regional and global economies. India's economic growth is also affected by various other factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

***58. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.***

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its ER&D sector; international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

***59. Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging Asian market countries. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. In recent times, the Indian financial markets had been negatively affected by the volatility in global financial market,

including on account of certain European nations' debt troubles and move to break away by the United Kingdom from the European Union. Although, economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to, amongst other, the announcements by the U.S. government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur and could harm our business, future financial performance and the prices of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Liquidity and credit concerns and volatility in the global credit and financial markets have increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. and European financial institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets.

However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

***60. A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.***

The Government of India has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Unfavorable government policies including those relating to the internet and e-commerce, consumer protection and data-privacy, could adversely affect business and economic conditions in India, and could also affect our ability to implement our strategy and our future financial performance. Since 1991, successive governments, including coalition governments, have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, the members of the Government of India and the composition of the coalition in power are subject to change. As a result, it is difficult to predict the economic policies that will be pursued by the Government of India. For example, there may be an increasing number of laws and regulations pertaining to the internet and e-commerce, which may relate to liability for information retrieved from or transmitted over the internet or mobile networks, user privacy, content restrictions and the quality of services and products sold or provided through the internet. The rate of economic liberalization could change and specific laws and policies affecting the financial services industry, foreign investment, currency exchange and other matters affecting investment in our securities could change as well.

Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.



## SECTION IV – INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS</b>	
<b>Equity Shares Issued: Public Issue of Equity Shares by our Company</b>	Upto 27,00,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ [●] per share aggregating to ₹ [●]
<b>of which</b>	
<b>Issue Reserved for the Market Makers</b>	[●] Equity Shares of ₹ 10/- each for cash at a price of ₹ [●] per share aggregating ₹ [●]
<b>Net Issue to the Public*</b>	[●] Equity Shares of ₹ 10/- each for cash at a price of ₹ [●] per share aggregating ₹ [●]
<b>of which</b>	
<b>Net Issue to the Public*</b>	[●] Equity Shares of ₹ 10/- each for cash at a price of ₹ [●] per share (including a premium of ₹ [●] per Equity Share) will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lakhs
<b>Net Issue to the Public*</b>	[●] Equity Shares of ₹ 10/- each for cash at a price of ₹ [●] per share (including a premium of ₹ [●] per Equity Share) will be available for allocation for allotment to Other Investors of above ₹ 2.00 Lakhs
<b>Equity Shares outstanding prior to the Issue</b>	62,73,000 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	[●] Equity Shares of face value of ₹10 each
<b>Objects of the Issue/ Use of Issue Proceeds</b>	Please see the chapter titled “Objects of the Issue” on page 67 of this Draft Prospectus

*Fresh Issue of upto 27,00,000 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution passed by our Board of Directors dated April 01, 2022. and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on April 11, 2022.*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “Issue Related Information” beginning on page 196 of this Draft Prospectus

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, the present issue is a fixed price issue ‘the allocation’ is the net issue to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
  - i. *Individual applicants other than retail individual investors; and*
  - ii. *Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

***If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.***

For further details, please refer to the chapter titled “Issue Structure” beginning on page 201 of this Draft prospectus.

**SUMMARY OF FINANCIAL INFORMATION**

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

**(Rs. in Lakhs)**

Sr. No.	Particulars	Note No.	As at December 31, 2021	As at 31st March		
				2021	2020	2019
<b>A.</b>	<b>Equity and Liabilities</b>					
<b>1</b>	<b>Shareholders' Funds</b>					
	Share Capital	<b>A.1</b>	69.70	69.70	69.70	69.70
	Reserves & Surplus	<b>A.2</b>	702.83	630.88	620.32	508.78
	<b>Share application money pending allotment</b>		-	-	-	-
<b>2</b>	<b>Non-Current Liabilities</b>					
	Long-Term Borrowings	<b>A.3</b>	18.76	0.66	12.25	22.69
	Other Non-Current Liabilities					-
	Long-Term Provisions	<b>A.4</b>	17.53	17.53	13.98	15.61
	Deferred Tax Liabilities (Net)		-	-	-	-
<b>3</b>	<b>Current Liabilities</b>					
	Short Term Borrowings	<b>A.5</b>	264.91	292.08	160.82	97.85
	Trade Payables :	<b>A.6</b>				
	(A) total outstanding dues of micro enterprises and small enterprises; and			-	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.".]	<b>A.6</b>	661.77	639.20	196.99	86.73
	Other Current Liabilities	<b>A.7</b>	49.53	60.51	76.92	73.26
	Short Term Provisions	<b>A.8</b>	31.22	9.08	40.17	53.54
	<b>Total</b>		<b>1,816.25</b>	<b>1,719.64</b>	<b>1,191.15</b>	<b>928.15</b>
<b>B.</b>	<b>Assets</b>					
<b>1</b>	<b>Non-Current Assets</b>					
	Property, Plant and Equipment					
	Tangible Assets	<b>A.9</b>	6.74	15.28	23.25	43.73
	Intangible Assets	<b>A.9</b>	-	-	-	-
	Intangible Assets Under Development	<b>A.9</b>	699.62	699.62	417.56	275.66
	Non-Current Investments		-	-	-	-
	Deferred Tax Assets	<b>A.10</b>	9.71	8.98	8.12	6.35
	Long Term Loans & Advances	-	-	-	-	-
	Other Non-Current Assets	<b>A.11</b>	7.24	7.24	9.24	7.14
<b>2</b>	<b>Current Assets</b>					
	Current Investments		-	-	-	-
	Inventories		-	-	-	-
	Trade Receivables	<b>A.12</b>	937.35	828.59	547.31	371.55
	Cash and Cash Equivalents	<b>A.13</b>	9.76	14.78	26.78	69.75
	Short-Term Loans and Advances	<b>A.14</b>	58.49	77.85	46.71	11.12
	Other Current Assets	<b>A.15</b>	87.34	67.28	112.18	142.86
	<b>Total</b>		<b>1816.25</b>	<b>1719.64</b>	<b>1191.15</b>	<b>928.15</b>

**RESTATED STATEMENT OF PROFIT AND LOSS**

**(Rs. in Lakhs)**

Sr. No	Particulars	Note No.	For the period ended	For The Year Ended 31st March		
			December 31	2021	2020	2019
			2021	2021	2020	2019
<b>A.</b>	<b>Revenue:</b>					
	Revenue from Operations	<b>B.1</b>	899.25	1041.19	999.73	1103.85
	Other income	<b>B.2</b>	0.04	12.36	12.86	2.81
	<b>Total revenue</b>		<b>899.28</b>	<b>1053.55</b>	<b>1012.59</b>	<b>1106.67</b>
<b>B.</b>	<b>Expenses:</b>					
	Cost of Material Consumed		0.00	0.00	0.00	0.00
	Change in Inventories of WIP, Finished Goods & Stock in Trade		0.00	-	-	-
	Employees Benefit Expenses	<b>B.3</b>	127.05	192.40	249.59	301.76
	Finance costs	<b>B.4</b>	15.48	23.83	26.49	23.54
	Depreciation and Amortization	<b>B.5</b>	8.54	9.03	22.61	12.95
	Other expenses	<b>B.6</b>	651.20	812.94	563.17	571.43
	<b>Total Expenses</b>		<b>802.27</b>	<b>1038.20</b>	<b>861.86</b>	<b>909.68</b>
	<b>Profit before exceptional and extraordinary items and tax</b>		<b>97.01</b>	<b>15.35</b>	<b>150.73</b>	<b>196.99</b>
	Exceptional Items		-	-	-	-
	<b>Profit before extraordinary items and tax</b>		<b>97.01</b>	<b>15.35</b>	<b>150.73</b>	<b>196.99</b>
	Extraordinary items		-	-	-	-
	<b>Profit before tax</b>		<b>97.01</b>	<b>15.35</b>	<b>150.73</b>	<b>196.99</b>
	<b>Tax expense :</b>					
	Current tax		26.51	5.66	40.96	52.66
	Deferred Tax	<b>B.7</b>	(0.73)	(0.87)	(1.77)	(3.76)
	Profit (Loss) for the period from continuing operations		<b>71.23</b>	<b>10.56</b>	<b>111.54</b>	<b>148.09</b>
	<b>Earning per equity share in Rs.:</b>					
	(1) Basic		1.14	0.17	1.78	2.36
	(2) Diluted		1.14	0.17	1.78	2.36

**RESTATED STATEMENT OF CASH FLOWS**

**(Rs. in Lakhs)**

Particulars	For the period ended 31st December	For The Year Ended 31st March		
	2021	2021	2020	2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit/ (Loss) before tax	97.01	15.35	150.73	196.99
Adjustments for:				
Depreciation	8.54	9.03	22.61	12.95
Finance Cost	15.48	23.83	26.49	23.54
Adjustment on Account of Prior Period Items	0.72	-	-	(4.62)
Interest Income	(0.04)	(4.35)	(12.86)	(2.81)
<b>Operating profit before working capital changes</b>	<b>121.71</b>	<b>43.86</b>	<b>186.97</b>	<b>226.05</b>
Movements in working capital :				
(Increase)/Decrease in Inventories	-	-	-	-
(Increase)/Decrease in Trade Receivables	(108.76)	(281.28)	(175.76)	12.50
(Increase)/Decrease in Loans & Advances	19.36	(31.14)	(35.59)	112.27
(Increase)/Decrease in Other Current Assets	(20.06)	44.90	30.39	(135.06)
Increase/(Decrease) in Trade Payables	22.58	442.21	110.26	26.88
Increase/(Decrease) in Other Current Liabilities	(10.98)	(16.41)	3.66	(92.85)
<b>Cash generated from operations</b>	<b>23.85</b>	<b>202.13</b>	<b>120.21</b>	<b>149.80</b>
Income tax paid during the year	4.37	37.38	56.53	61.00
<b>Net cash from operating activities (A)</b>	<b>19.48</b>	<b>164.75</b>	<b>63.68</b>	<b>88.79</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale/(Purchase) of Investments	-	-	-	-
Interest Income	0.04	4.35	12.86	2.81
Increase/(Decrease) in Provision for Gratuity	-	4.19	0.57	9.94
Purchase of Fixed Assets	-	(283.12)	(144.03)	(141.22)
Increase in Other Non-Current Assets	-	2.00	(2.10)	(7.14)
<b>Net cash from investing activities (B)</b>	<b>0.04</b>	<b>(272.58)</b>	<b>(132.69)</b>	<b>(135.61)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest paid on borrowings	(15.48)	(23.83)	(26.49)	(23.54)
Proceeds/(Repayment) of Borrowings	(9.07)	119.67	52.53	90.68
<b>Net cash from financing activities (C)</b>	<b>(24.54)</b>	<b>95.84</b>	<b>26.04</b>	<b>67.13</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(5.02)</b>	<b>(11.99)</b>	<b>(42.97)</b>	<b>20.31</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>14.78</b>	<b>26.78</b>	<b>69.75</b>	<b>49.44</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>9.76</b>	<b>14.78</b>	<b>26.78</b>	<b>69.75</b>
<b>Cash &amp; Cash Equivalent Comprises</b>				
Cash in Hand	2.30	3.05	2.52	3.87
Balance With Bank in Current Accounts	0.48	5.06	24.26	12.07
Balance with Bank in Deposits Accounts	6.97	6.67	0.00	53.81

## **SECTION – V - GENERAL INFORMATION**

Our Company was originally incorporated on February 07, 2001 as “Dynamic Restructuring Management Services Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, N.C.T of Delhi & Haryana. The name of our company was changed from “Dynamic Restructuring Management Services Private Limited” to “Kandarp Management Services Private Limited” and fresh certificate of incorporation dated March 23, 2010 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further the name of our company was changed from “Kandarp Management Services Private Limited” to “Kandarp Digi Smart BPO Private Limited” and fresh certificate of incorporation dated December 09, 2021 was issued by Registrar of Companies, Delhi. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Kandarp Digi Smart BPO Private Limited” to “Kandarp Digi Smart BPO Limited” vide fresh certificate of incorporation dated March 22, 2022 issued by the Registrar of Companies, Delhi.

For further details, please refer to chapter titled “History and Corporate Structure” beginning on page 106 of this Draft Prospectus.

### **Registered Office of our Company**

#### **Kandarp Digi Smart BPO Limited**

GF-22 Hans Bhawan, Bahadur Saha Zafar Marg,  
New Delhi-110002, Delhi, India.

**E-mail:** [info@kdsbpo.com](mailto:info@kdsbpo.com)

**Website:** [www.kdsbpo.com](http://www.kdsbpo.com)

**Corporate Identification Number:** U74899DL2001PLC109565

**Reg. No.:** 109565

For details relating to changes to the address of our Registered Office, please see “History and Corporate Structure - Changes to the address of the Registered Office of our Company” on page 106 of this Draft Prospectus.

### **Corporate Office of our Company**

#### **Kandarp Digi Smart BPO Limited**

C- 69, C Block, Sector 2, Noida - 201301,  
Uttar Pradesh, India

**Tel. No.:** 0120-2543069

**E-mail:** [info@kdsbpo.com](mailto:info@kdsbpo.com)

**Website:** [www.kdsbpo.com](http://www.kdsbpo.com)

### **Address of Registrar of Companies**

#### **Registrar of Companies, Delhi**

4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place,  
New Delhi-110019, Delhi, India

**Tel No.** +91- 11-26235703, 26235708

**Fax No.:** +91- 11-26235702

**Email:** [roc.delhi@mca.gov.in](mailto:roc.delhi@mca.gov.in)

**Website:** <http://www.mca.gov.in>

### **Designated Stock Exchange**

#### **National Stock Exchange of India Limited**

Exchange Plaza, Plot no. C/1, G Block,  
Bandra – Kurla Complex, Bandra (E)  
Mumbai - 400051, Maharashtra, India

**Website –** [www.nseindia.com](http://www.nseindia.com)

### **Board of Directors of our Company**

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Sunil Kumar Rai	Chairman and Managing Director	A2, 602 Plot No. 18, Sector 19A, Near Gurudwara Nerul East, Navi Mumbai, Thane – 400706, Maharashtra, India.	01989744
Mrs. Meenakshi Pathak	Whole Time Director	B-669, M I G Flats, Nearr Sidharth International Public School, East of Loni road, Mondoli, North East Delhi – 110093, Delhi, India	02009605
Mr. Pankaj Rai	Non-Executive Director	Survey No. 73/1/1/2, Sushant Residency, B-504, 5 <sup>th</sup> Floor, Bhagat singh chowk, Anand Nagar, Pimple Gurav, Pune – 411061, Maharashtra, India	05250574
Mrs. Anita Jha	Independent Director	C-56, Flat No-FF-3, Shalimar Garden Extension-2, Sahibabad, Ghaziabad - 201005, Uttar Pradesh, India	08778164
Mr. Pramod Kumar Tiwari	Independent Director	H.No. 91, Sector 5, Gurugram – 122001, Haryana, India	08777899

For further details of the Directors of our Company, please refer to the chapter titled “Our Management” on page 110 of this Draft Prospectus.

### Company Secretary and Compliance Officer

**Ms. Niharika Gupta**

C- 69, C Block, Sector 2, Noida - 201301,  
Uttar Pradesh, India

**Tel. No.:** 0120-4089166

**E-mail:** [cs@kdsbpo.com](mailto:cs@kdsbpo.com)

**Website:** [www.kdsbpo.com](http://www.kdsbpo.com)

### Chief Financial Officer

**Mr. Parbind Kumar Jha**

C- 69, C Block, Sector 2, Noida - 201301,  
Uttar Pradesh, India

**Tel. No.:** 0120-4089142

**E-mail:** [cfo@kdsbpo.com](mailto:cfo@kdsbpo.com)

**Website:** [www.kdsbpo.com](http://www.kdsbpo.com)

Investors may contact our Company Secretary and Compliance Officer and/ or the Registrar to the Issue and/ or the Lead Manager, in case of any pre-Issue or post-Issue related problems such as non-receipt of Intimation for Allotment, credit of allotted Equity Shares in the respective beneficiary account.

All grievances relating to the ASBA process including UPI may be addressed to the Registrar to the Issue, with a copy to the Designated Intermediary with whom the ASBA Form was submitted, giving full name of the sole or First Applicant, ASBA Form number, Applicant’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of Application Form, address of Applicant, the name and address of the relevant Designated Intermediary, where the Application Form was submitted by the Applicant, ASBA Account number (for Applicants other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Application Amount was blocked or UPI ID in case of RIIs bidding through the UPI mechanism. Further, the Applicant shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Issue related queries, and for Redressal of complaints, applicant may also write to the Lead Manager and Company. All complaints, queries or comments received by Stock Exchange shall be forwarded to the Lead Manager, who shall respond to the same

### Details of Key Intermediaries pertaining to this Issue and Our Company:

#### LEAD MANAGER OF THE ISSUE

**BEELINE CAPITAL ADVISORS PRIVATE LIMITED**

807, Phoenix Tower, Opp. New Girish Cold drinks,

Near Vijay Cross Roads, Navrangpura  
Ahmedabad – 380009, Gujarat, India  
**Tel. No.:** +91-79-48405357, 48406357  
**Email:** [mb@beelinemb.com](mailto:mb@beelinemb.com)  
**Website:** [www.beelinemb.com](http://www.beelinemb.com)  
**Investor Grievance Email:** [ig@beelinemb.com](mailto:ig@beelinemb.com)  
**Contact Person:** Mr. Nikhil Shah  
**SEBI Registration No.:** INM000012917

#### LEGAL ADVISOR TO THE ISSUE

**ANA ADVISORS**  
118 Shila Vihar, Gokulpura, Kalwar Road  
Jhotwara, Jaipur-302012  
**Email Id:** [anaadvisors22@gmail.com](mailto:anaadvisors22@gmail.com)  
**Tel No.:** +91-9887906529  
**Contact Person:** Kamlesh Kumar Goyal

#### REGISTRAR TO THE ISSUE

**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**  
D-153A, 1st Floor, Okhla Industrial Area  
Phase-I, New Delhi – 110020, India  
**Tel. No.:** 011-40450193-197  
**Fax No.:** 011-26812683  
**Email:** [ipo@skylinerta.com](mailto:ipo@skylinerta.com)  
**Website:** [www.skylinerta.com](http://www.skylinerta.com)  
**Investor Grievance Email:** [grievances@skylinerta.com](mailto:grievances@skylinerta.com)  
**Contact Person:** Ms. Rati Gupta  
**SEBI Registration No.:** INR000003241

#### BANKERS TO THE COMPANY

**HDFC BANK LIMITED**  
[•]

#### STATUTORY AUDITORS OF THE COMPANY

**M/S. B MANNA & CO.,** Chartered Accountants  
63/5 Brick Field Road, Ramchandrapur,  
Kolkata-700104, India  
**Tel No.:** 033-40725023  
**Mobile No.:** +91-9230642333  
**Email:** [cbmanna@gmail.com](mailto:cbmanna@gmail.com)  
**Contact Person:** Biswanath Manna  
**Membership No.:** 061940  
**Firm Registration No.:** 325326E

#### PEER REVIEW AUDITOR OF THE COMPANY

**M/s A Y & COMPANY,** Chartered Accountants  
404, Fourth Floor, ARG Corporate Park  
Ajmer Road, Gopal Bari, Jaipur – 302 006,  
Rajasthan, India  
**Tel No.:** 0141 – 403 7257; 96496 87300  
**Email:** [info@aycompany.co.in](mailto:info@aycompany.co.in)  
**Contact Person:** Mr. Arpit Gupta  
**Membership No.:** 421544  
**Firm Registration No.:** 020829C  
**Peer Review Registration No.:** 013225

M/s A Y & CO., Chartered Accountants hold a peer review certificate dated July 15, 2021 issued by the Institute of Chartered Accountants of India.

## **BANKERS TO THE ISSUE AND REFUND BANKER/SPONSOR BANK**

[•]

### **STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Beeline Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not required.

### **SELF CERTIFIED SYNDICATE BANKS (“SCSBS”) AND SYNDICATE SCSB BRANCHES**

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on [www.sebi.gov.in/pmd/scsb.pdf](http://www.sebi.gov.in/pmd/scsb.pdf) For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time

### **INVESTORS BANKS OR ISSUER BANKS FOR UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

### **REGISTERED BROKERS**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE at [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

### **REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at [www.nseindia.com](http://www.nseindia.com), as updated from time to time and on SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>

### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at [www.nseindia.com](http://www.nseindia.com), as updated from time to time and SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4>

### **BROKERS TO THE ISSUE**

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

### **CREDIT RATING**

This being an Issue of Equity Shares, credit rating is not required.

### **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.



## **DEBENTURE TRUSTEES**

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

## **TRUSTEES**

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

## **MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10000.00 Lakhs.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

## **APPRAISING ENTITY**

No appraising entity has been appointed in respect of any objects of this Issue

## **FILING OF OFFER DOCUMENT**

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

The Draft Prospectus/ Prospectus are being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be filed for registration to the Registrar of Companies, 4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019, Delhi, India.

## **EXPERTS OPINION**

Except for the reports in the section "Financial Information of our Company" and "Statement of Possible Tax Benefits" on page 134 and page 74 of this Draft Prospectus from the Peer Review Auditor, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditor for inclusion of their name. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the LM, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## UNDERWRITING

The Company and the Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by [●] in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company and Underwriter – [●], the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of Total Issue Size Underwritten
[●]	Upto 27,00,000 Equity Shares of ₹ 10/- being Issued at ₹ [●] each	[●]	[●]

\*Includes [●] Equity shares of Rs.10.00 each for cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

As per Regulation 260(2) of SEBI (ICDR) Regulations, the Lead Manager has agreed to underwrite to a minimum extent of Issue out of its own account.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective obligations in full.

## CHANGES IN AUDITORS DURING LAST THREE YEARS

There has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Prospectus except appointment of A Y & Company, Chartered Accountants as Peer Review Auditor of our Company.

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated [●] with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

<b>Name</b>	[●]
<b>Correspondence Address:</b>	[●]
<b>Tel No.:</b>	[●]
<b>E-mail:</b>	[●]
<b>Website:</b>	[●]
<b>Contact Person:</b>	[●]
<b>SEBI Registration No.:</b>	[●]

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of NSE (NSE EMERGE) and SEBI from time to time
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of NSE from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
6. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE from time to time.
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
8. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
9. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
10. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
11. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
13. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

14. Risk containment measures and monitoring for Market Makers: NSE SME Exchange will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
15. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by exchange from time to time.
16. **Punitive Action in case of default by Market Makers:** NSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹20 Crore	25%	24%
₹ 20 to ₹ 50 Crore	20%	19%
₹ 50 to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

## SECTION VI – CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of the Draft Prospectus and after giving effect to this Issue, is set forth below:

Amount (Rs. in Lakhs, except share data)

Sr. No.	Particulars	Aggregate nominal Value	Aggregate Value at Issue Price
A	<b>Authorized Share Capital</b> 1,00,00,000 Equity Shares having Face Value of Rs 10/- each	1000.00	-
B	<b>Issued, Subscribed &amp; Paid-up Share Capital before the Issue</b> 62,73,000 Equity Shares having Face Value of Rs.10/- each fully paid up before the Issue.	627.30	-
C	<b>Present Issue in terms of the Draft Prospectus</b> Issue of upto 27,00,000 Equity Shares having Face Value of Rs.10/- each at a price of Rs. [●] per Equity Share.	[●]	[●]
	<b>Which Comprises</b>	[●]	[●]
I.	<b>Reservation for Market Maker portion</b> [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
II.	<b>Net Issue to the Public</b> Net Issue to Public of [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share to the Public	[●]	[●]
	<b>of which<sup>(2)</sup></b>	[●]	[●]
	[●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share will be available for allocation for Investors of up to Rs. 2.00 lakhs	[●]	[●]
	[●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share will be available for allocation for Investors of above Rs. 2.00 lakhs	[●]	[●]
D	<b>Issued, Subscribed and Paid-up Equity Share capital after the Issue</b> [●] Equity Shares of Rs. 10/- each	[●]	-
E	<b>Securities Premium Account</b> Before the Issue After the Issue		Nil [●]*

<sup>(1)</sup> The Present Issue of upto 27,00,000 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated April 01, 2022. and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on April 11, 2022.

<sup>(2)</sup> The allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

\*The amount disclosed is prior to deduction of Issue expenses.

### Class of Shares

As on the date of Draft Prospectus Our Company has only one class of share capital i.e. Equity Shares of Rs.10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Draft Prospectus.

### Details of changes in Authorized Share Capital of our Company:

Since the incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

- a) The initial Authorised share capital of our Company was ₹1.00 Lakh (Rupees One Lakh) divided into 10,000 (Ten Thousand) Equity Shares of ₹10/- each. This Authorised capital was increased to ₹25.00 Lakh (Twenty-Five Lakhs) divided into 2,50,000 (Two Lakh Fifty Thousand) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Extra-Ordinary General Meeting held on January 02, 2014.

- b) The Authorised share capital of ₹25.00 Lakh (Twenty-Five Lakhs) divided into 2,50,000 (Two Lakh Fifty Thousand) Equity Shares of ₹10/- each was increased to ₹1.00 Crores (One Crores) divided into 10,00,000 (Ten Lakh) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Extra-Ordinary General Meeting held on March 31, 2017.
- c) The Authorised share capital of ₹1.00 Crores (One Crores) divided into 10,00,000 (Ten Lakh) Equity Shares of ₹10/- each was increased to ₹10.00 Crores (Ten Crores) divided into 1,00,00,000 (One Crore) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Extra-Ordinary General Meeting held on December 18, 2021.

## Notes to Capital Structure

### 1. Equity Share Capital History of our Company:

- (a) The history of the equity share capital and the securities premium account of our company are set out in the following table:-

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation*	10,000	10	10	Cash	Subscription to MOA <sup>(i)</sup>	10,000	1,00,000	Nil
January 08, 2014 <sup>^</sup>	60,000	10	10	Other than Cash	Bonus Issue <sup>(ii)</sup>	70,000	7,00,000	Nil
January 08, 2014	1,80,000	10	10	Cash	Further Allotment <sup>(iii)</sup>	2,50,000	25,00,000	Nil
March 01, 2017 <sup>§</sup>	4,47,000	10	40	Cash	Right Issue <sup>(iv)</sup>	6,97,000	69,70,000	1,34,10,000
January 31, 2022 <sup>#</sup>	55,76,000	10	--	Other than Cash	Bonus Issue <sup>(v)</sup>	62,73,000	6,27,30,000	Nil

\*Shares were subscribed to Initial Subscriber to Memorandum of Association on February 07, 2001.

<sup>^</sup> Bonus issue of 60,000 equity shares in the ratio of 6:1 dated January 08, 2014 has been issued by Capitalization of Reserve & Surplus of the Company.

<sup>§</sup> Shares issued to M/s Reliable Data Services Limited against the credit balance available in books of our Company.

<sup>#</sup> Bonus issue of 55,76,000 equity shares in the ratio of 8:1 dated January 31, 2022 has been issued by Capitalization of Reserve & Surplus of the Company.

All the above-mentioned shares are fully paid up since the date of allotment.

#### Notes:

- (i) Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Sunil Kumar Rai	2,000
2.	Mrs. Meenakshi Pathak	8,000
	<b>Total</b>	<b>10,000</b>

- (ii) Bonus allotment of 60,000 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 6:1 i.e., 6 Bonus Equity Shares for each equity share held:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Sunil Kumar Rai	12,000
2.	Mrs. Meenakshi Pathak	48,000
	<b>Total</b>	<b>60,000</b>

(iii) Further Allotment of 1,80,000 Equity Shares of Face Value of Rs. 10/- each fully paid. The details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	M/s Reliable Data Services Limited	1,80,000
	<b>Total</b>	<b>1,80,000</b>

(iv) Rights Issue of 4,47,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 40/- in proportion of existing Equity Share Capital held. The details of Equity Shares Offered, Received, Renounced and Subscribed by the Existing shareholders is as under:

S. No.	Names of Person	Equity Shares Offered	Equity Shares Received/(Renounced)	Net Balance of Equity Shares	Equity Shares Subscribed/Received by Renunciation	Lapse of Equity Shares
1.	Mr. Sunil Kumar Rai	25,032	(25,032)	-	-	-
2.	Mrs. Meenakshi Pathak	1,00,128	(1,00,128)	-	-	-
3.	M/s Reliable Data Services Limited	3,21,840	1,25,160	4,47,000	4,47,000	-
	<b>Total</b>	<b>4,47,000</b>	<b>--</b>	<b>4,47,000</b>	<b>4,47,000</b>	<b>--</b>

(v) Bonus allotment of 55,76,000 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 8:1 i.e., 8 Bonus Equity Shares for each equity share held:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Sunil Kumar Rai	1,12,000
2.	Mrs. Meenakshi Pathak	4,44,800
3.	M/s Reliable Data Services Limited	50,16,000
4.	Mr. Rakesh Jha	800
5.	Mr. Sandeep Kumar Jha	800
6.	Mr. Anil Kumar Jha	800
7.	Mr. Sanjay Kumar Pathak	800
	<b>Total</b>	<b>55,76,000</b>

b) As on the date of the Draft Prospectus, our Company does not have any preference share capital.

## 2. Issue of Equity Shares for consideration other than cash

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
January 08, 2014	60,000	10.00	--	Other than Cash – Bonus Issue	Capitalization of Reserves	Mr. Sunil Kumar Rai	12,000
						Mrs. Meenakshi Pathak	48,000
January 31, 2022	55,76,000	10.00	--	Other than Cash – Bonus Issue	Capitalization of Reserves	Mr. Sunil Kumar Rai	1,12,000
						Mrs. Meenakshi Pathak	4,44,800
						M/s Reliable Data Services Limited	50,16,000
						Mr. Rakesh Jha	800
						Mr. Sandeep Kumar Jha	800
						Mr. Anil Kumar Jha	800

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Mr. Sanjay Kumar Pathak	800

- We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and relevant section of 230-234 of Companies Act 2013.
- As on the date of the Draft Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
- The Issue Price shall be decided by our Company in consultation with the Lead Manager, except as disclosed below, we have not issued any Equity Shares at price below issue price within last one year from the date of this Draft Prospectus.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
January 31, 2022	55,76,000	10.00	--	Bonus Issue	Yes	Mr. Sunil Kumar Rai	1,12,000
					Yes	Mrs. Meenakshi Pathak	4,44,800
					Yes	M/s Reliable Data Services Limited	50,16,000
					Yes	Mr. Rakesh Jha	800
					Yes	Mr. Sandeep Kumar Jha	800
					Yes	Mr. Anil Kumar Jha	800
					Yes	Mr. Sanjay Kumar Pathak	800



## 7. Our Shareholding Pattern\*

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Draft Prospectus:

### I – Summary of Shareholding Pattern:-

Category	Category of shareholder	Nos. of share holders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form^
								No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Share s held (b)	
								Class Equity Shares of	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII	XIV	
(A)	Promoter & Promoter Group	7	62,73,000	-	-	62,73,000	100.00	62,73,000	62,73,000	100.00	-	100.00	-	-	-	-	[•]
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
I	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>62,73,000</b>	<b>-</b>	<b>-</b>	<b>62,73,000</b>	<b>100.00</b>	<b>62,73,000</b>	<b>62,73,000</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>[•]</b>

\*As on date of this Draft Prospectus 1 Equity share holds 1 vote.

^ Our Company is in process of making application to CDSL and NSDL for dematerialization of its shares.

**Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Total as a % of (A+B+C)	No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights						No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
								Class eg: X	Class eg: Y	Total									
(1)	<b>Indian</b>																		
(a)	Individuals/Hindu undivided Family																		
1.	Mr. Sunil Kumar Rai	1	1,26,000	-	-	1,26,000	2.01	1,26,000	-	1,26,000	2.01	-	1,26,000	-	-	-	-	-	[●]
2.	Mrs. Meenakshi Pathak	1	5,00,400	-	-	5,00,400	7.98	5,00,400	-	5,00,400	7.98	-	5,00,400	-	-	-	-	-	[●]
3.	Mr. Rakesh Jha	1	900	-	-	900	0.01	900	-	900	0.01	-	900	-	-	-	-	-	[●]
4.	Mr. Sandeep Kumar Jha	1	900			900	0.01	900	-	900	0.01	-	900	-	-	-	-	-	[●]
5.	Mr. Anil Kumar Jha	1	900			900	0.01	900	-	900	0.01	-	900	-	-	-	-	-	[●]
6.	Mr. Sanjay Kumar Pathak	1	900			900	0.01	900	-	900	0.01	-	900	-	-	-	-	-	[●]
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(d)	Any Other – Body Corporate M/s Reliable Data Services Limited	1	56,43,000	-	-	56,43,000	89.95	56,43,000	-	56,43,000	89.95	-	56,43,000	-	-	-	-	[●]
	<b>Sub-Total (A)(1)</b>	<b>7</b>	<b>62,73,000</b>	<b>-</b>	<b>-</b>	<b>62,73,000</b>	<b>100.00</b>	<b>62,73,000</b>	<b>-</b>	<b>62,73,000</b>	<b>62,73,000</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	[●]
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoters and Promoters’ Group (A)=(A)(1)+(A) (2)</b>	<b>7</b>	<b>62,73,000</b>	<b>-</b>	<b>-</b>	<b>62,73,000</b>	<b>100.00</b>	<b>62,73,000</b>	<b>-</b>	<b>62,73,000</b>	<b>62,73,000</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	[●]
<b>Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A</b>																		

**Table III - Statement showing shareholding pattern of the Public shareholder**

Sr. No. (I)	Category of shareholder (II)	No. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
								Class eg: X	Class eg: y	Total								
(1)	<b>Institutions</b>																	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	<b>Non-institutions</b>																	

(a)(i)	Individuals - i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)(ii)	Individuals - ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): - N.A</b>																			
<b>Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.</b>																			

**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares under lying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
								Class eg: X	Class eg: y	Total								
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

**8. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Prospectus are:**

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Sunil Kumar Rai	1,26,000	2.01
2.	Mrs. Meenakshi Pathak	5,00,400	7.98
3.	M/s Reliable Data Services Limited	56,43,000	89.95
	<b>Total</b>	<b>62,69,400</b>	<b>99.94</b>

**9. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two year prior as on the date of this Draft Prospectus are:**

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Sunil Kumar Rai	14,000	2.01
2.	Mrs. Meenakshi Pathak	56,000	8.03
3.	M/s Reliable Data Services Limited	6,27,000	89.96
	<b>Total</b>	<b>6,97,000</b>	<b>100.00</b>

**10. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior as on the date of this Draft Prospectus are:**

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Sunil Kumar Rai	14,000	2.01
2.	Mrs. Meenakshi Pathak	56,000	8.03
3.	M/s Reliable Data Services Limited	6,27,000	89.96
	<b>Total</b>	<b>6,97,000</b>	<b>100.00</b>

**11. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior as on the date of this Draft Prospectus are:**

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Sunil Kumar Rai	1,26,000	2.01
2.	Mrs. Meenakshi Pathak	5,00,400	7.98
3.	M/s Reliable Data Services Limited	56,43,000	89.95
	<b>Total</b>	<b>62,69,400</b>	<b>99.94</b>

**12. Except as disclosed below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of the Draft Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company.**

S. No.	Name of Shareholders	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Mr. Sunil Kumar Rai	January 31, 2022	Promoter & Managing Director	1,12,000	--	Bonus Issue
2.	Mrs. Meenakshi Pathak	January 31, 2022	Promoter & Whole-time Director	4,44,800	--	Bonus Issue
3.	M/s Reliable Data Services Limited	January 31, 2022	Promoter Company	50,16,000	--	Bonus Issue

13. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Mr. Sunil Kumar Rai	Chairman cum Managing Director	1,26,000
Mrs. Meenakshi Pathak	Whole-Time Director	5,00,400

14. Capital Build up in respect of shareholding of our Promoter:

As on date of the Draft Prospectus, our promoters Mr. Sunil Kumar Rai, Mrs. Meenakshi Pathak and M/s Reliable Data Services Limited holds 62,69,400 Equity Shares constituting 99.94% of the issued, subscribed and paid-up Equity Share capital of our Company. None of the Equity Shares held by our Promoter are subject to any pledge.

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹)*	Pre-Issue Shareholding %	Post-Issue Shareholding %	Lock in Period	Source of Funds
<b>Mr. Sunil Kumar Rai</b>								
February 07, 2001	On Incorporation	2,000	10	10.00	0.03	[●]	[●]	Own fund
January 08, 2014	Bonus Issue	12,000	10	--	0.19	[●]	[●]	--
January 31, 2022	Bonus Issue	1,12,000	10	--	1.79	[●]	[●]	--
<b>Total (A)</b>		<b>1,26,000</b>			<b>2.01</b>	[●]	[●]	
<b>Mrs. Meenakshi Pathak</b>								
February 07, 2001	On Incorporation	8,000	10	10.00	0.13	[●]	[●]	Own fund
January 08, 2014	Bonus Issue	48,000	10	--	0.77	[●]	[●]	--
October 04, 2021	Transfer <sup>(i)</sup>	(400)	10	100.00	(0.01)	[●]	[●]	--
January 31, 2022	Bonus Issue	4,44,800	10	--	7.09	[●]	[●]	--
<b>Total (B)</b>		<b>5,00,400</b>			<b>7.98</b>	[●]	[●]	
<b>M/s Reliable Data Services Limited</b>								
January 08, 2014	Allotment	1,80,000	10	10.00	2.87	[●]	[●]	Own fund
March 01, 2017	Right Issue	4,47,000	10	40.00	7.13	[●]	[●]	Own fund
January 31, 2022	Bonus Issue	50,16,000	10	--	79.95	[●]	[●]	--
<b>Total (C)</b>		<b>56,43,000</b>			<b>89.95</b>	[●]	[●]	
<b>Total (A+B+C)</b>		<b>62,69,400</b>						

(i) Details of Transfer of Share by Mrs. Meenakshi Pathak dated October 04, 2021

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	October 04, 2021	Mrs. Meenakshi Pathak	100	Mr. Rakesh Jha
2.			100	Mr. Sandeep Kumar Jha
3.			100	Mr. Anil Kumar Jha
4.			100	Mr. Sanjay Kumar Pathak
<b>Total</b>			<b>400</b>	



**15. The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:**

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Mr. Sunil Kumar Rai	1,26,000	0.16
Mrs. Meenakshi Pathak	5,00,400	0.08
M/s Reliable Data Services Limited	56,43,000	3.49

\*Average cost of acquisition is calculated on the basis of face value of equity shares of Rs. 10/- each.

**16. Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of the Draft Prospectus.**

Date of Transaction	Number of Equity Shares Allotted/ Acquired/ Sold	Face Value (Rs.)	Issue Price/ Acquired Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees/ Transferor/ transferee	Category
October 04, 2021	(400)	10	100	Transfer	Cash	Mrs. Meenakshi Pathak	Promoter
October 04, 2021	100	10	100	Acquired through Transfer	Cash	Mr. Rakesh Jha	Promoter Group
	100					Mr. Sandeep Kumar Jha	Promoter Group
	100					Mr. Anil Kumar Jha	Promoter Group
	100					Mr. Sanjay Kumar Pathak	Promoter Group
January 31, 2022	1,26,000	10	-	Bonus Issue	Other than Cash	Mr. Sunil Kumar Rai	Managing Director & Promoter
	5,00,400					Mrs. Meenakshi Pathak	Whole-time Director & Promoter
	56,43,000					M/s Reliable Data Services Limited	Promoter
	800					Mr. Rakesh Jha	Promoter Group
	800					Mr. Sandeep Kumar Jha	Promoter Group
	800					Mr. Anil Kumar Jha	Promoter Group
	800					Mr. Sanjay Kumar Pathak	Promoter Group

\*The maximum and minimum price at which the aforesaid transaction was made is Rs. 100 and Nil Equity Share.

**17. Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Draft Prospectus is as below: -**

S. No	Names	Pre-Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoter</b>				
1.	Mr. Sunil Kumar Rai	1,26,000	2.01	1,26,000	[●]
2.	Mrs. Meenakshi Pathak	5,00,400	7.98	5,00,400	[●]
3.	M/s Reliable Data Services Limited	56,43,000	89.95	56,43,000	[●]
	<b>TOTAL (A)</b>	<b>62,69,400</b>	<b>99.94</b>	<b>62,69,400</b>	<b>[●]</b>
	<b>Promoter Group</b>				
1.	Mr. Rakesh Jha	900	0.01	900	[●]
2.	Mr. Sandeep Kumar Jha	900	0.01	900	[●]
3.	Mr. Anil Kumar Jha	900	0.01	900	[●]
4.	Mr. Sanjay Kumar Pathak	900	0.01	900	[●]

	<b>TOTAL (B)</b>	<b>3,600</b>	<b>0.06</b>	<b>3,600</b>	<b>[●]</b>
	<b>GRAND TOTAL (A+B)</b>	<b>62,73,000</b>	<b>100.00</b>	<b>62,73,000</b>	<b>[●]</b>

**18. Details of Promoter's Contribution locked in for three years:**

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/Transfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
<b>Mr. Sunil Kumar Rai</b>								
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (A)</b>			[●]			[●]	[●]	
<b>Mrs. Meenakshi Pathak</b>								
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (B)</b>			[●]			[●]	[●]	
<b>M/s Reliable Data Services Limited</b>								
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (C)</b>			[●]			[●]	[●]	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 236 of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-Issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoters, Mr. Sunil Kumar Rai, Mrs. Meenakshi Pathak and M/s Reliable Data Services Limited has, by a written undertaking, consented to have [●] Equity Shares held by them to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed/sold/transferred by the promoter during the period starting from the date of filing this Draft Prospectus with SME Platform of NSE till the date of commencement of lock-in period as stated in this Draft Prospectus. The Equity Shares under the Promoters contribution will constitute [●] of our post-Issue paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 236 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

**Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 237 of SEBI (ICDR) Regulations, 2018**

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237 (1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b>Hence Eligible</b>
237 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237 (1) (b)	Specified securities acquired by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer.	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237 (1) (c)	Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>

#### Details of Share Capital Locked in For One Year

In terms of Regulation 236 and 237 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue equity share capital held by promoters and entire pre-issue capital held by persons other than promoters of our Company i.e. Promoter Group members [●] Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

The Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

#### Other requirements in respect of lock-in:

- a) In terms of Regulation 242 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b) In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

19. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Prospectus.

20. Neither, we nor our Promoters, Directors and the Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
21. As on the date of filing of the Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
22. As on the date of the Draft Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
23. Our Company has not raised any bridge loan against the proceeds of the Issue.
24. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
25. As on the date of the Draft Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
26. The Lead Manager i.e. Beeline Capital Advisors Private Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of the Draft Prospectus.
27. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares Issued have been listed or application moneys refunded on account of failure of Issue.
28. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments
29. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
30. An over-subscription to the extent of 2% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 2% of the Net Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock- in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
31. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
32. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
33. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
34. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
35. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
36. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
37. As on the date of the Draft Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.

- 38.** There are no Equity Shares against which depository receipts have been issued.
- 39.** Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Draft Prospectus.
- 40.** We have 7 (Seven) Shareholders as on the date of filing of the Draft Prospectus.
- 41.** There are no safety net arrangements for this Public Issue.
- 42.** Our Promoter and Promoter Group will not participate in this Issue.
- 43.** This Issue is being made through Fixed Price method.
- 44.** Except as disclosed in the Draft Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Draft Prospectus.
- 45.** No person connected with the Issue shall issue any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
- 46.** We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Draft Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

## SECTION VII - OBJECTS OF THE ISSUE

The Issue includes a public Issue of upto 27,00,000 Equity Shares of our Company at an Issue Price of [●] per Equity Share

### **The Fresh Issue**

The Net Proceeds from the Fresh Issue will be utilized towards the following objects:

1. To Meet Working Capital Requirement
2. General Corporate Purpose
3. To Meet the Issue Expenses

*(Collectively referred as the “objects”)*

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of NSE (NSE EMERGE). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum of Association (MOA) enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association (MOA).

### **Requirement of Funds:** -

The details of the proceeds from the Fresh Issue are provided in the following table:

Particulars	Amt. (₹ in Lakhs)
Gross Issue Proceeds*	[●]
Less: Public Issue Related Expenses*	[●]
<b>Net Issue Proceeds*</b>	<b>[●]</b>

*\*To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC*

### **Utilisation of Funds:** -

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

S. No	Particulars	Amt. (₹ in Lakhs)	% of Total Size
1.	To Meet Working Capital Requirement*	[●]	[●]
2.	General Corporate Expenses*	[●]	[●]
<b>Net Issue Proceeds</b>		<b>[●]</b>	<b>[●]</b>

*\*To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC*

**Means of Finance:** -We intend to finance our Objects of Issue through Net Proceeds which is as follows:

Particulars	Amt. (₹ in Lakhs)
Net Proceeds	[●]
<b>Total</b>	<b>[●]</b>

***Since the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.***

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding

existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of Draft Prospectus.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 20 of the Draft Prospectus.

**Details of Use of Issue Proceeds:**

**1. To Meet Working Capital Requirement**

Since Incorporation, our Company is BPO organization specializing in the area of support services solutions. The Business of the Company is working capital intensive; hence it will meet the requirement to the extent of [●] Lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirements of the business.

Details of Estimation of Working Capital requirement are as follows:

(₹ In Lakhs)

S. No.	Particulars	Actual	Actual	Actual	Actual	Projected
		(Restated)	(Restated)	(Restated)	(Provisional)	
		31-March-19	31-March-20	31-March-21	31-March-22	31-March-23
I	<b>Current Assets</b>					
	Trade receivables	371.55	547.31	828.59	912.50	1148.48
	Inventories	-	-	-	-	-
	Current Investments	-	-	-	0.00	15.00
	Cash and cash equivalents	69.75	26.78	14.78	9.10	70.00
	Other Current Assets	142.86	112.18	67.28	14.75	300.00
	Short term loan & Advances	11.12	46.71	77.85	126.65	324.15
	<b>Total(A)</b>	<b>595.27</b>	<b>732.98</b>	<b>988.50</b>	<b>1063.00</b>	<b>1857.63</b>
II	<b>Current Liabilities</b>					
	Trade payables	86.73	196.99	639.20	565.47	304.56
	Short Term Provisions	53.54	40.17	9.08	15.85	84.59
	Other Current Liabilities	73.26	76.92	60.51	60.34	424.44
	<b>Total (B)</b>	<b>213.53</b>	<b>314.08</b>	<b>708.79</b>	<b>641.66</b>	<b>813.59</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>381.74</b>	<b>418.90</b>	<b>279.71</b>	<b>421.34</b>	<b>1044.04</b>
IV	Funding Pattern					
	Short term borrowing & Internal Accruals	<b>381.74</b>	<b>418.90</b>	<b>279.71</b>	<b>421.34</b>	[●]
	<b>IPO Proceeds</b>					[●]

**Key assumptions for working capital projections made by Our Company:**

Particulars	Actual	Actual	Actual	Provisional	Projected
	31-March-19	31-March-20	March 31, 2021	March 31, 2022	March 31, 2023
Debtors (in Days)	123	200	290	260	285
Creditors (in Days)	55	128	287	104	185

**Justification:**

S. No.	Particulars
<b>Debtors</b>	We expect Debtors holding days to be at 285 Days approx. for FY 2022-23 based on increased sales of services and better credit Management policies ensuring timely recovery of dues.
<b>Creditors</b>	We expect creditor payment days to be at 104 Days approx. for FY 2022-23 based on increased expenses and better credit period allowed by vendors.

**2. General Corporate Purposes**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating Rs. [●] Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

**3. Public Issue Expenses: -**

The estimated Issue related expenses include Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately Rs. [●] Lakhs which is [●]% of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

Particulars	Estimated expenses (Rs. In Lakhs) *	As a % of total estimated Issue related expenses*	As a % of the total Issue size*
Lead Manager Fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling, commission and upload fees	[●]	[●]	[●]
Registrar to the issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and Marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, peer review auditors, etc.)	[●]	[●]	[●]
<b>Total Estimated Offer Expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* To be incorporated in the Prospectus after finalisation of the Issue Price.

**Notes:**

- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows: Portion for RIIs [●]% ^ (exclusive of GST) Portion for NIIs [●]% ^ (exclusive of GST) ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹ [●] (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers, will be entitled to a commission of ₹ [●] (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹ [●] (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs



### **Proposed Schedule of Implementation:**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(₹ In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in F.Y. 2022-23
1.	To Meet Working Capital Requirement	[●]
2.	General Corporate Purpose	[●]
	<b>Total</b>	[●]

### **Funds Deployed and Source of Funds Deployed:**

Our Peer Review Auditors M/s A Y & Company, Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (₹ in Lakhs)*
Issue Expenses	[●]
<b>Total</b>	[●]

\* Amount inclusive of applicable taxes.

### **Sources of Financing for the Funds Deployed:**

Our Peer Review Auditors M/s A Y & Company, Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (₹ in Lakhs)*
Internal Accruals	[●]
<b>Total</b>	[●]

\* Amount inclusive of applicable taxes.

### **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

### **Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

### **Bridge Financing Facilities**

As on the date of this Draft Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

### **Monitoring Utilization of Funds**

The Audit Committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

### **Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

**Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Business Overview” and its financial statements under the section titled “Financial Information of our Company” beginning on page 20, page 88 and page 134 respectively of this Draft Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company in consultation with the LM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is [●] which is [●] times of the face value.

### QUALITATIVE FACTORS

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Business Overview” beginning on page 88 of this Draft Prospectus.

### QUANTITATIVE FACTORS

Information presented below is derived from our Company’s Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic & Diluted Earnings per share (EPS), as restated\*:

S. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2018-19	2.36	1
2.	FY 2019-20	1.78	2
3.	FY 2020-21	0.17	3
	<b>Weighted Average</b>	<b>1.07</b>	<b>6</b>
	December 31, 2021	<b>1.14</b>	

\* Earnings Per Share after considering Bonus Issue of Shares

Notes:

- i. The figures disclosed above are based on the restated financial statements of the Company.
- ii. The face value of each Equity Share is ₹10.00.
- iii. Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.

#### 2. Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share:

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2020-21	[●]
2	P/E ratio based on the Weighted Average EPS	[●]

#### 3. Peer Group P/ E\*

S. No	Particulars	P/E
1	Highest	[●]
2	Lowest	[●]

\*Source: [●]

#### 4. Return on Net worth (RoNW)

S. No	Period	RONW (%)	Weights
1.	FY 2018-19	25.60	1
2.	FY 2019-20	16.17	2
3.	FY 2020-21	1.51	3
	<b>Weighted Average</b>	<b>10.41</b>	<b>6</b>

December 31, 2021	9.22
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##### 5. Minimum Return on Net Worth after Issue to maintain Pre-Issue EPS

(a) Based on Basic and Diluted EPS, as restated of FY 2020-21 of [●] at the Issue Price of [●] per share:

- [●] % on the restated financial statements.

(b) Based on Weighted Average Basic and Diluted EPS, as adjusted of [●] at the Issue Price of [●] per share:

- [●] % on the restated financial statements.

##### 6. Net Asset Value (NAV) per Equity Share\*:

Sr. No.	As at	NAV
1.	March 31, 2019	9.22
2.	March 31, 2020	11.00
3.	March 31, 2021	11.17
4.	December 31, 2021	12.32
	NAV after Issue	[●]
	Issue Price	[●]

\* Net Assets Value Per Share after considering Bonus Issue of Shares

##### 7. Comparison of Accounting Ratios with Industry Peers<sup>1</sup>

S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹) <sup>3</sup>	PE <sup>4</sup>	RoNW (%)	NAV per Share (₹)
1.	Kandarp Digi Smart BPO Limited	Standalone	10.00	1.51	[●]	1.51	11.17
2.	Firstsource Solutions Limited	Standalone	10.00	5.38	17.89	16.01	31.11
3.	Eclerx Services Limited	Standalone	10.00	67.29	28.47	22.48	359.33

<sup>1</sup>\*Source: Annual Report for the year 2020-21 of Peer Companies available on website of Stock Exchange.

<sup>2</sup>Based on March 31, 2021 restated financial statements

<sup>3</sup>Basic & Diluted Earnings per share (EPS) is calculated on weighted average number of shares after considering Bonus Issue of Shares.

<sup>4</sup>Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share.

8. The face value of our shares is ₹10.00 per share and the Issue Price is of [●] per share which is [●] times of the face value.
9. The Issue Price has been determined by our Company in consultation with the Lead Manager and justified by our Company in consultation with the Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.,

Investors should read the above-mentioned information along with section titled "Business Overview", "Risk Factors" and "Financial Information of our Company" beginning on page 88, 20 and 134 respectively including important profitability and return ratios, as set out in chapter titled "Other Financial Information" on page 166 of this Draft Prospectus to have a more informed view.

**STATEMENT OF SPECIAL TAX BENEFITS**

To,

**The Board of Directors,  
Kandarp Digi Smart BPO Limited  
C- 69, C Block, Sector 2, Noida - 201301,  
Uttar Pradesh, India**

Dear Sir,

**Subject: Statement of possible tax benefits ('the Statement') available to Kandarp Digi Smart BPO Limited ("the Company") and its shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended ('the Regulation')**

We hereby confirm that the enclosed Annexure 1 and 2 (together "the Annexures"), prepared by Kandarp Digi Smart BPO Limited ("the Company"), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ("the Act") as amended by the Finance Act 2022, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2022-23 relevant to the assessment year 2023-24, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), as amended by the Finance Act 2022, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2022-23 relevant to the assessment year 2023-24, presently in force in India (together, the "Tax Laws"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.
2. We do not express any opinion or provide any assurance as to whether:
  - i) the Company or its shareholders will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been / would be met with; and
  - iii) the revenue authorities/courts will concur with the views expressed herein.
3. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
4. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion

in the Draft Prospectus /Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**M/s A Y & COMPANY**  
**Chartered Accountants**  
**Firm Registration No.: 020829C**

**Mr. Arpit Gupta**  
**Partner**  
**M. No. 421544**  
**UDIN: 22421544ALJCJZ8196**

**Date: 01.06.2022**  
**Place: Delhi**

## **ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

### **YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Act.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the Act

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Prospectus /Prospectus.

## **ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the GST Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

### **YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the GST Act.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the GST Act

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant indirect tax law benefits and does not cover any direct tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Prospectus /Prospectus.



## **SECTION VIII – ABOUT THE COMPANY**

### **OUR INDUSTRY**

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

### **GLOBAL OUTLOOK**

The war in Ukraine has triggered a costly humanitarian crisis that, without a swift and peaceful resolution, could become overwhelming. Global growth is expected to slow significantly in 2022, largely as a consequence of the war. A severe double-digit drop in GDP is expected in Ukraine due to fighting. A deep contraction is projected for Russia due to sanctions and European countries' decisions to scale back energy imports. The economic costs of war are expected to spread farther afield through commodity markets, trade, and—to a lesser extent—financial interlinkages. Fuel and food price rises are already having a global impact, with vulnerable populations—particularly in low-income countries—most affected. Elevated inflation will complicate the trade-offs central banks face between containing price pressures and safeguarding growth. Interest rates are expected to rise as central banks tighten policy, exerting pressure on emerging market and developing economies. Moreover, many countries have limited fiscal policy space to cushion the impact of the war on their economies. The invasion has contributed to economic fragmentation as a significant number of countries sever commercial ties with Russia and risks derailing the post-pandemic recovery. It also threatens the rules-based frameworks that have facilitated greater global economic integration and helped lift millions out of poverty. In addition, the conflict adds to the economic strains wrought by the pandemic. Although many parts of the world appear to be moving past the acute phase of the COVID-19 crisis, deaths remain high, especially among the unvaccinated. Moreover, recent lockdowns in key manufacturing and trade hubs in China will likely compound supply disruptions elsewhere.

Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than in the January World Economic Outlook Update. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. Crucially, this forecast assumes that the conflict remains confined to Ukraine, further sanctions on Russia exempt the energy sector (although the impact of European countries' decisions to wean themselves off Russian energy and embargoes announced through March 31, 2022, are factored into the baseline), and the pandemic's health and economic impacts abate over the course of 2022. With a few exceptions, employment and output will typically remain below pre-pandemic trends through 2026. Scarring effects are expected to be much larger in emerging market and developing economies than in advanced economies—reflecting more limited policy support and generally slower vaccination—with output expected to remain below the pre-pandemic trend throughout the forecast horizon. Unusually high uncertainty surrounds this forecast, and downside risks to the global outlook dominate—including from a possible worsening of the war, escalation of sanctions on Russia, a sharper-than-anticipated deceleration in China as a strict zero-COVID strategy is tested by Omicron, and a renewed flare-up of the pandemic should a new, more virulent virus strain emerge. Moreover, the war in Ukraine has increased the probability of wider social tensions because of higher food and energy prices, which would further weigh on the outlook.

Inflation is expected to remain elevated for longer than in the previous forecast, driven by war-induced commodity price increases and broadening price pressures. For 2022, inflation is projected at 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected in January. Although a gradual resolution of supply-demand imbalances and a modest pickup in labor supply are expected in the baseline, easing price inflation eventually, uncertainty again surrounds the forecast. Conditions could significantly deteriorate. Worsening supply-demand imbalances—including those stemming from the war—and further increases in commodity prices could lead to persistently high inflation, rising inflation expectations, and stronger wage growth. If signs emerge that inflation will be high over the medium term, central banks will be forced to react faster than currently anticipated—raising interest rates and exposing debt vulnerabilities, particularly in emerging markets.

The war in Ukraine will amplify economic forces already shaping the global recovery from the pandemic. The war has further increased commodity prices and intensified supply disruptions, adding to inflation. Even before Russia invaded Ukraine, broad price pressures had led central banks to tighten monetary policy and indicate increasingly hawkish future stances. As a result, interest rates had risen sharply and asset price volatility had increased since the start of 2022—hitting household and corporate balance sheets, consumption, and investment. The prospect of higher borrowing costs has also increased the cost of extended fiscal

support. These changes are occurring faster than previously expected even as many parts of the global economy— particularly countries with low vaccination rates—must contend with continued strain on health care systems because of the pandemic.

The war has also added to already high uncertainty about the global outlook. Although many countries appear to be moving past the acute phase of the pandemic, new variants could again lead to waves of infection and further disruption. Inflation pressure could strengthen more than anticipated and demand more aggressive policy responses. Tighter financial conditions will shine a harsh spotlight on debt vulnerabilities among sovereign and corporate borrowers, risking widespread debt distress.

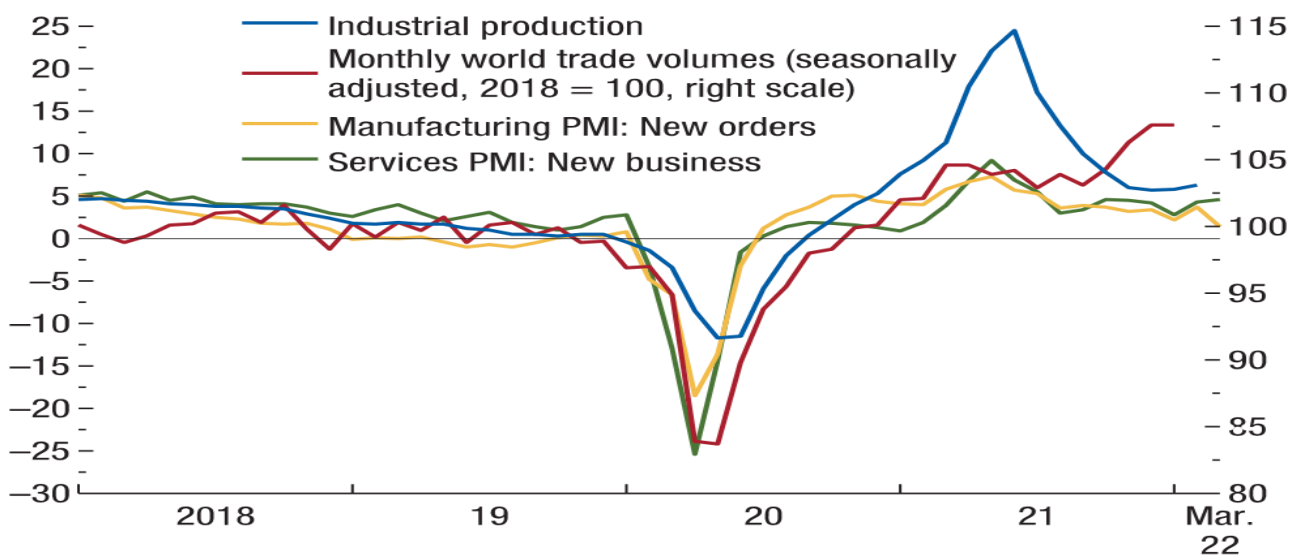
Moreover, with continued tight policies toward the real estate sector and the possibility of more widespread lockdowns as part of the strict zero-COVID strategy, China’s economy could slow more than currently projected—with consequences for Asia and beyond. This could further set back the recovery, particularly in emerging market and developing economies. More limited policy space could compound scarring effects, particularly in emerging market and developing economies, where medium-term baseline output is expected to be close to 6 percent below pre-pandemic projections.

More fundamentally, geopolitical tensions threaten the rules-based frameworks that have governed international economic relations since World War II. Current sanctions imposed with the aim of pressing Russia to end the war are already cutting financial and trade linkages between Russia and other countries, with far-reaching repercussions. Increased global polarization also impedes the cooperation essential for long-term prosperity. This could include derailing the urgent climate change agenda and undermining multilateral efforts to improve debt resolution frameworks, trade integration, and initiatives to avoid future pandemics.

### Fragmentation and Fragility Set to Slow Growth during 2022–23

The war in Ukraine has led to extensive loss of life, triggered the biggest refugee crisis in Europe since World War II, and severely set back the global recovery. After a strong recovery in 2021, short-term indicators suggest that global activity has slowed (see Figure 1.1). Global growth is projected to decline from an estimated 6.1 percent in 2021 to 3.6 percent in 2022–23—0.8 and 0.2 percentage points lower for 2022 and 2023 than in the January 2022 World Economic Outlook. The ongoing war in Ukraine and sanctions on Russia are expected to reduce global growth in 2022 through direct impacts on the two countries and global spillovers. This shock comes just as the threat from the Omicron variant appeared to be fading, with many parts of world moving past the acute phase of the pandemic.

**Figure 1.1. Global Activity Indicators**  
(Three-month moving average)



Sources: CPB Netherlands Bureau for Economic Policy Analysis; Haver Analytics; Markit Economics; and IMF staff calculations.

Note: Units for industrial production are annualized percent change. For PMIs, units are deviation from 50. PMI above 50 indicates expansion, below 50 indicates contraction. PMI = purchasing managers’ index.

***Five principal forces shape the near-term global outlook:***

***War in Ukraine***—The invasion and resulting sanctions on Russia will have important consequences for the global economy. The baseline forecast assumes that the theater of conflict remains limited to Ukraine and that sanctions on Russia (along with European plans to become independent of Russian energy) do not tighten beyond those announced by March 31 and remain in place over the forecast horizon. The effects of conflict and sanctions will hit Ukraine, Russia, and Belarus directly. But international spillovers via global commodity prices, trade and financial linkages, labor supply, and humanitarian impacts will spread the effects more widely—notably in Europe.

***Monetary tightening and financial market volatility***—Even before the war, inflation had risen significantly (Figure 1.2), and many central banks tightened monetary policy. This contributed to a rapid increase in nominal interest rates across advanced economy sovereign borrowers. In the months ahead, policy rates are generally expected to rise further and record-high central bank balance sheets will begin to unwind, most notably in advanced economies. In emerging market and developing economies, several central banks also tightened policy, adding to those that had already done so in 2021. One exception is China, where inflation remains low and the central bank cut policy rates in January 2022 to support the recovery. Expectations of tighter policy and worries about the war have contributed to financial market volatility and risk repricing (see the April 2022 Global Financial Stability Report). In particular, the war and related sanctions have tightened global financial conditions, lowered risk appetite, and induced flight-to-quality flows.

In Russia, the sanctions and the impairment of domestic financial intermediation have led to large increases in its sovereign and credit default swap spreads. Emerging market economies in the region, as well as Caucasus, Central Asia, and North Africa, have also seen their sovereign spreads widen (Figure 1.3). Emerging markets capital outflows in early March were as large and fast as those seen early in the pandemic, albeit concentrated among a few economies. Since mid-March, though, the situation has stabilized, with slow-but-steady capital inflows reversing around one quarter of initial losses. Overall, markets have so far differentiated across emerging market securities based on geographic proximity, trade linkages, and commodity exposures to Russia and Ukraine.

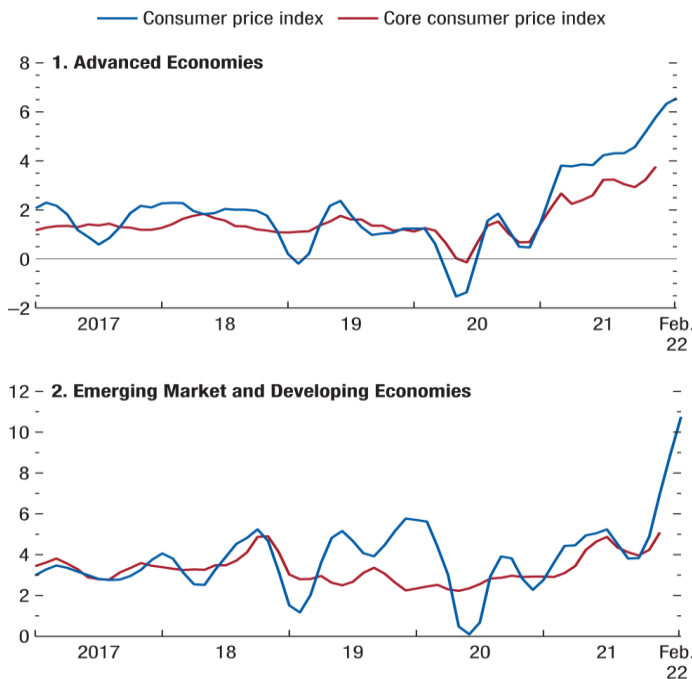
***Fiscal withdrawal***—Policy space in many countries has been eroded by necessary higher COVID-related spending and lower tax revenue in 2020–21. Faced with rising borrowing costs, governments are increasingly challenged by the imperative to rebuild buffers. Fiscal support is set to generally decline in 2022 and 2023—particularly in advanced economies—as emergency measures to cushion the impact of the pandemic are wound down (Figure 1.4; also see the April 2022 Fiscal Monitor for more discussion on the evolution of fiscal measures over the acute phase of the pandemic and subsequent recovery).

***China’s slowdown***—Slowing growth in China’s economy has wider ramifications for Asia and for commodity exporters. The combination of more transmissible variants and a zero-COVID strategy entail the prospect of more frequent lockdowns, with attendant effects on private consumption in China. Moreover, the continued tight stance toward highly leveraged property developers means that real estate investment remains subdued.

***Pandemic and vaccine access***—Worker shortages and mobility restrictions compounded supply disruptions and bottlenecks early in 2022, constraining activity and adding to inflation. Restrictions have begun to ease as the peak of the Omicron wave passes and global weekly COVID deaths decline (Figure 1.5). The risk of infection leading to severe illness or death appears lower for the dominant Omicron strain than for others—especially for the vaccinated and boosted. The baseline assumes that the health and economic impacts of the virus start to fade in the second quarter of 2022 and that hospitalizations and deaths are brought to low levels in most countries by the end of the year. A key assumption in the baseline is that the virus does not mutate into new strains requiring further restrictions.

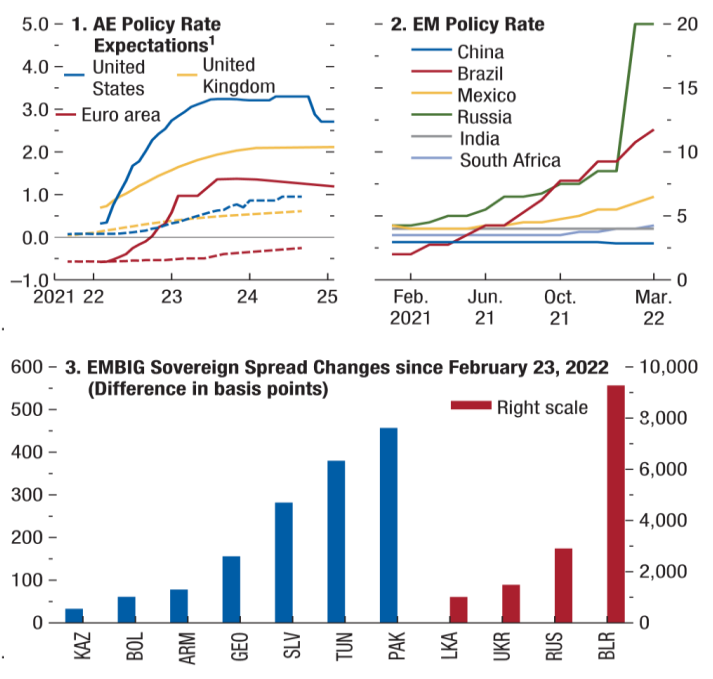
The baseline assumes that most countries will not attain the target of 70 percent full vaccination in 2022. Given vaccination shortfalls in low-income countries, the possibility of renewed outbreaks is factored into the baseline. Yet their impact on activity is assumed to be less than in earlier waves. Adaptation has improved, effective therapeutics are more readily available, and immunity due to previous infection or vaccination has increased. The forecasts are based on information up to 31 March 2022.

**Figure 1.2. Inflation Trends**  
(Three-month moving average; annualized percent change)



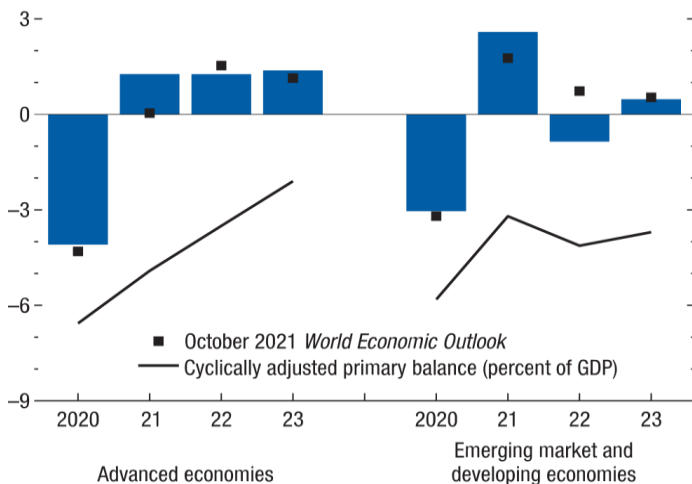
Sources: Haver Analytics; and IMF staff calculations.  
Note: Average inflation rates by economy group are purchasing-power-parity GDP-weighted averages. In terms of International Organization for Standardization (ISO) country codes, advanced economies comprise AUT, BEL, CAN, CHE, CZE, DEU, DNK, ESP, EST, FIN, FRA, GBR, GRC, HKG, IRL, ISR, ITA, JPN, KOR, LTU, LUX, LVA, NLD, NOR, PRT, SGP, SVK, SVN, SWE, TWN, USA; emerging market and developing economies comprise BGR, BRA, CHL, CHN, COL, HUN, IDN, IND, MEX, MYS, PER, PHL, POL, ROU, RUS, THA, TUR, ZAF.

**Figure 1.3. Monetary and Financial Conditions**  
(Percent, unless noted otherwise)



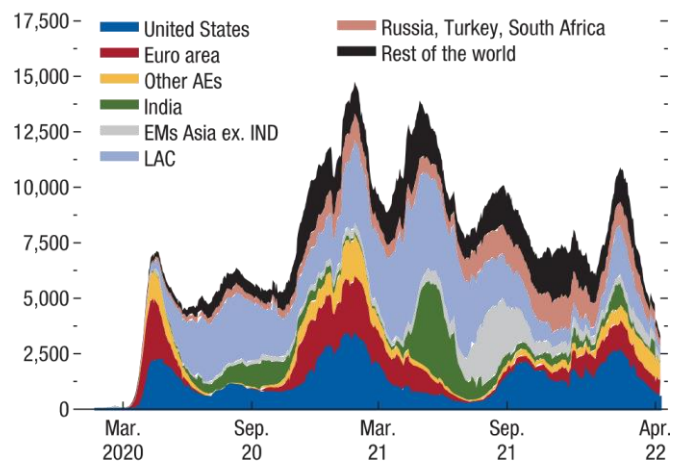
Sources: Bloomberg Finance L.P.; Refinitiv Datastream; and IMF staff calculations.  
Note: Dashed lines in panel 1 are from the October 2021 *World Economic Outlook*. AE = advanced economy; EM = emerging market; EMBIG = emerging markets bond index global. Panel 3 data as of April 8, 2022. Data labels use International Organization for Standardization (ISO) country codes.  
<sup>1</sup>Expectations are based on the federal funds rate futures for the United States, the sterling overnight interbank average rate for the United Kingdom, and the euro short-term rate (€STR) forward rates for the euro area, updated April 8, 2022.

**Figure 1.4. Fiscal Stance, 2020–23**  
(Change in structural primary fiscal balance, percent of potential GDP)



Source: IMF staff estimates.  
Note: Cyclically adjusted balance is the general government balance adjusted for the economic cycle. Structural balance is the cyclically adjusted balance corrected for a broader range of noncyclical factors, such as asset and commodity prices. Primary balances shown are obtained by subtracting interest income and adding interest expense to the two series.

**Figure 1.5. New Confirmed COVID-19 Deaths**  
(Persons, seven-day moving average)



Sources: Our World in Data; and IMF staff calculations.  
Note: Data as of April 8, 2022. Economy group and regional classifications are those in the *World Economic Outlook*. Other advanced economies in terms of International Organization for Standardization (ISO) country codes are AUS, CAN, CHE, CZE, DNK, GBR, HKG, ISL, ISR, JPN, KOR, MAC, NOR, NZL, SGP, SMR, SWE, TWN. AEs = advanced economies; EMs Asia ex. IND = emerging Asia excluding India; LAC = Latin American and the Caribbean economies.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>)

## **INDIAN ECONOMY OVERVIEW**

### **Introduction**

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

### **Market size**

- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY2021-22.,
- India is the third-largest unicorn base in the world with over 83 unicorns collectively valued at US\$ 277.77 billion, as per the Economic Survey. By 2025, India is expected to have 100 unicorns, which will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached the US\$ 634.287 billion mark.

### **Recent Developments**

Recent economic developments in India are as follows:

- With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 6.8 billion across 102 deals in November 2021 42% higher than November 2020. Some of the important recent developments in the Indian economy are as follows:
- India's merchandise exports between April 2021 and December 2021 were estimated at US\$ 299.74 billion (a 48.85% YoY increase). In December 2021, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 56.4.
- The gross GST (Goods and Services Tax) revenue collection stood at Rs. 1.38 trillion (US\$ 18.42 billion) in January 2022. This was a 15% rise over a year ago.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 547.2 billion between April 2000 and June 2021.
- India's Index of Industrial Production (IIP) for November 2021 stood at 128.5 against 126.7 for November 2020.
- Consumer Food Price Index (CFPI) – Combined inflation was 2.9% in 2021-22 (April-December) against 9.1% in the corresponding period last year.
- Consumer Price Index (CPI) – Combined inflation was 5.20% in 2021-2022 (April-December) against 6.6% in 2020-21
- Foreign portfolio investors (FPIs) invested Rs. 50,009 crore (US\$ 6.68 billion) in the Calendar year 2021.
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

### **Government Initiatives**

The Government of India has taken several initiatives to improve the economic condition of the country. Some of these are:

- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement

and Investment and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).

- Under PM GatiShakti Master Plan the National Highway Network will develop 25,000 km of new highways network which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- On February 2022, Ms. Nirmala Sitharaman Minister for Finance & Corporate Affairs said that productivity linked incentive (PLI) schemes to be extended to 14 sectors for achieving the mission of AtmaNirbhar Bharat and create 60 lakh (6 million) and an additional production of Rs. 30 lakh crore (US\$ 401.49 billion) in the next 5 years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022 Finance Minister Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G will be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which is expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement to spectrum sharing.
- In the Union Budget of 2022-23 the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that Reserve Bank of India (RBI) will issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of “One Station, One Product” was also introduced.
- To boost competitiveness Budget 2022 has announced to reform the 16-year-old Special Economic Zone (SEZ) act to enhance competitiveness this will be done to make it compatible with the World Trade Organisation (WTO).
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- To boost the overall audit quality, transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives and large non-banks and housing finance firms.
- In May 2021, the Government of India has allocated Rs. 2,250 crore (US\$ 306.80 million) for the development of the horticulture sector in 2021-22.
- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction and housing.

Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.

- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally and increasing digital literacy.
- On January 29 2022 the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian Economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23, it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next 3 years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, NITI Aayog and Cisco collaborated to encourage women's entrepreneurship in India.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In June 2021, RBI Governor, Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures including Rs. 15,000 crore (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India to increase foreign direct investments in the country.
- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for second tranche of EUR 150 million (US\$ 182.30 million) for Pune Metro Rail project.
- According to an official source, as of September 15, 2021, 52 companies have filed applications under the Rs. 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- In May 2021, Union Cabinet has approved the signing of memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.
- In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched 'DGFT Trade Facilitation' app to provide instant access to exporters/importers anytime and anywhere.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.

- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.

## Road Ahead

Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.

Mr. Piyush Goyal said that India will achieve exports worth US\$ 650 billion in the financial year 2021-22.

India's electronic exports are expected to reach US\$ 300 billion by 2025-26 this will be nearly 40 times the FY2021-22 exports (till December 2021) of US\$ 67 billion.

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus at 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates of July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

(Source - <https://www.ibef.org/economy/indian-economy-overview>)

## **IT and BPM Industry in India**

### **Introduction**

The global sourcing market in India continues to grow at a higher pace compared to the IT-BPM industry. India is the leading sourcing destination across the world, accounting for approximately 55% market share of the US\$ 200-250 billion global services sourcing business in 2019-20.

The IT industry accounted for 8% of India's GDP in 2020. According to STPI (Software Technology Park of India), software exports by the IT companies connected to it, stood at Rs. 1.20 lakh crore (US\$ 16.29 billion) in the first quarter of FY22.

### **Market Size**

The IT & business service industry's revenue was estimated at ~US\$ 6.96 billion in the first half of 2021, an increase of 6.4% YoY. The export revenue of the IT industry is estimated at US\$ 150 billion in FY21. According to Gartner estimates, IT spending in India is estimated to reach US\$ 93 billion in 2021 (7.3% YoY growth) and further increase to US\$ 98.5 billion in 2022. The BPM sector in India currently employs >1.4 million people, while IT and BPM together have >4.5 million workers, as of FY21.

India's software services exports (excluding exports through commercial presence) increased by 4% in FY21 compared with FY20 and are estimated at USD 133.7 billion during 2020-21.



Indian software product industry is expected to reach US\$ 100 billion by 2025. Indian companies are focusing to invest internationally to expand global footprint and enhance their global delivery centres. In line with this, in February 2021, Tata Consultancy Services announced to recruit ~1,500 technology employees across the UK over the next year. The development would build capabilities for TCS to deliver efficiently to the UK customers.

As of FY21, the IT industry employed 4.5 million people.

The data annotation market in India stood at ~ US\$ 250 million in FY20, of which the US market contributed ~ 60% to the overall value. The market is expected to reach ~ US\$ 7 billion by 2030 due to accelerated domestic demand for AI.

### **Investments and Recent Developments**

Indian IT's core competencies and strengths have attracted significant investment from major countries. The computer software and hardware sector in India attracted cumulative foreign direct investment (FDI) inflows worth US\$ 74.12 billion between April 2000 and June 2021. The sector ranked 2nd in FDI inflows as per the data released by Department for Promotion of Industry and Internal Trade (DPIIT). Japanese investments in the Indian IT sector grew 4X between 2016 and 2020. Investments stood at US\$ 9.2 billion in the review period.

Leading Indian IT firms like Infosys, Wipro, TCS and Tech Mahindra are diversifying their offerings and showcasing leading ideas in blockchain and artificial intelligence to clients using innovation hubs and research and development centres to create differentiated offerings.

Some of the major developments in the Indian IT and ITeS sector are as follows:

- In November 2021, Wipro partnered with TEOCO to build solutions for communication service providers (CSPs) to improve network automation, efficiency, flexibility and reliability.
- In August 2021, Tata Consultancy Services was adjudged a leader in the NelsonHall NEAT for CX Services in Banking, Financial Services and Insurance (BFSI).
- In August 2021, SAP India and Microsoft announced the introduction of TechSaksham, a collaborative skilling initiative aimed at enabling young women (from underprivileged regions) to pursue careers in technology. 62,000 women students will be trained in artificial intelligence (AI), cloud computing, web design and digital marketing as a result of this collaboration.
- In August 2021, Startek, a business process management company, announced a plan to increase its minority stake in CSS Corp to reach a wider market. It also announced a plan to recruit >2,000 employees in India, in FY22.
- In July 2021, Wipro announced plans to invest US\$ 1 billion over the next three years to expand its cloud technology capabilities through acquisitions and collaborations.
- In July 2021, Infosys announced that it has set up an Automotive Digital Technology and Innovation Centre in Stuttgart, Germany. Automotive IT infrastructure professionals stationed in Germany will transfer from Daimler AG to the new Digital Technology and Innovation Centre as part of Infosys' relationship with Daimler.
- In July 2021, TCS expanded its strategic partnership with Royal London, the largest mutual life insurance, pensions and investment company in the UK, to help the latter transform its pension platform estate and deliver market-leading services to members and customers.
- In July 2021, Tata Technologies partnered with Stratasys, a 3D printing technology company, to provide advanced additive manufacturing technologies to the Indian manufacturing ecosystem.
- In July 2021, Tech Mahindra Foundation and Wipro GE Healthcare have joined forces to offer skilling and upskilling courses to students and healthcare technicians.
- In July 2021, HCL announced a multi-year agreement with Fiskars Group, consisting of a family of lifestyle brands including Fiskars, Gerber, Iittala, Royal Copenhagen, Waterford and Wedgwood for digital transformation.
- In July 2021, TCS launched Jile 5.0, a key release of its Enterprise Agile, on-the-cloud services, planning and delivery tool that enables enterprises to meet the large-scale development needs of multiple distributed teams.

### **Government Initiatives**

Some of the major initiatives taken by the Government to promote IT and ITeS sector in India are as follows:

- In November 2021, the government launched Internet Exchange in Uttarakhand to enhance the quality of internet services in the state.
- The Karnataka government has signed three MoUs worth US\$ 13.4 million (Rs. 100.52 crore) to help the state's emerging technology sector.

- In August 2021, the Union Minister of State for Electronics and Information Technology, Mr. Rajeev Chandrasekhar, announced that the IT export target is set at US\$ 400 billion for March 2022. In addition, the central government plans to focus in areas, such as cybersecurity, hyper-scale computing, artificial intelligence and blockchain.
- In September 2021, the Indian government announced a plan to build a cyber lab for the 'Online Capacity Building Programme on Crime Investigation, Cyber Law and Digital Forensics' to strengthen cyber security capabilities.
- In September 2021, the Ministry of Electronics and Information Technology (MeitY) organised a workshop under the theme of 'Connecting all Indians', to promote public and private stakeholders' interest in the country and expand internet access to remote areas.
- In September 2021, the Indian government launched the Meghalaya Enterprise Architecture Project (MeghEA), to boost service delivery and governance in the state by leveraging digital technologies, to make Meghalaya a high-income state by 2030.
- In September 2021, the Indian government launched Phase II of Visvesvaraya PhD Scheme to encourage research in 42 emerging technologies in Information Technology (IT), Electronics System Design & Manufacturing (ESDM) and Information Technology Enabled Services (ITES).
- In September 2021, the Indian government inaugurated five National Institute of Electronics & Information Technology (NIELIT) Centres, in three North Eastern states to boost availability of training centres and employment opportunities.
- In August 2021, the India Internet Governance Forum (IIGF) – 2021 was launched at Electronics Niketan in New Delhi by the National Internet Exchange of India (NIXI), the Ministry of Electronics and Information Technology (MeitY) and the Chairman of the Coordination Committee of the IIGF-2021. The event will take place over three days beginning October 20, 2021. The meeting's topic this year is Inclusive Internet for Digital India.
- On July 2, 2021, the Ministry of Heavy Industries and Public Enterprises launched six technology innovation platforms to develop technologies for globally competitive manufacturing in India. The six technology platforms have been developed by IIT Madras, Central Manufacturing Technology Institute (CMTI), International Centre for Automotive Technology (iCAT), Automotive Research Association of India (ARAI), BHEL and HMT in association with IISc Bangalore.
- In Budget 2021, the government has allocated Rs. 53,108 crore (US\$ 7.31 billion) to the IT and telecom sector.
- Department of Telecom, Government of India and Ministry of Communications, Government of Japan signed a MoU to enhance cooperation in areas of 5G technologies, telecom security and submarine optical fibre cable system.

### **Road Ahead**

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Indian IT & business services industry is expected to grow to US\$ 19.93 billion by 2025.

In November 2021, Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, lauded the Indian IT sector for excelling its competitive strength with zero government interference. He further added that service exports from India has the potential to reach US\$ 1 trillion by 2030.

(Source - <https://www.ibef.org/industry/information-technology-india>)

## **BUSINESS OVERVIEW**

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year.*

*In this section, a reference to the “Company” or “we”, “us” or “our” means Kandarp Digi Smart BPO Limited. All financial information included herein is based on our “Financial information of our company” included on page 134 of this Draft Prospectus.*

### **Overview**

Kandarp Digi Smart BPO Limited is engaged in BPO services specializing in the area of support services solutions. Our Company provides wide ranges of support services such as Call Centre, Contact Point Verifications, Site Visits, Document check/Pickup, E-KYC, Skip Tracing, Employee Back Check, Staffing Solutions, Payroll Management, Payment Collections (soft), AMC Booking Services etc. to its clients and specializes in providing End to End solutions to customers/clients. We believe in providing efficient and accurate services which is core value of the organization. Our services are focussed towards delivering outstanding results for our clients. We adapt our outstanding services to cater to the specific needs of business and assist in achieving your business goals.

Our Company was originally incorporated on February 07, 2001 as “Dynamic Restructuring Management Services Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, N.C.T of Delhi & Haryana. The name of our company was changed from “Dynamic Restructuring Management Services Private Limited” to “Kandarp Management Services Private Limited” and fresh certificate of incorporation dated March 23, 2010 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further the name of our company was changed from “Kandarp Management Services Private Limited” to “Kandarp Digi Smart BPO Private Limited” and fresh certificate of incorporation dated December 09, 2021 was issued by Registrar of Companies, Delhi. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Kandarp Digi Smart BPO Private Limited” to “Kandarp Digi Smart BPO Limited” vide fresh certificate of incorporation dated March 22, 2022 issued by the Registrar of Companies, Delhi.

Our Company operates from its Registered Office situated at GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India, Corporate Office at C- 69, C Block, Sector 2, Noida - 201301, Uttar Pradesh, India and Branch office at Old No. 7, New No. 13, First Street, Nandanam Extention, Chennai – 600035, Tamil Nadu, India

Our Company is an ISO 9001:2015 certified company for Quality Management Services in field of Banking Verifications, Credit and Risk Control/ Pick-Up Activities, Call Center and Audit.

We are always committed to fulfil the requirements of our clientele according to their needs. In order to meet these requirements, we have adapted to best measure in the industry for support services. We believe that we carry out extensive research, training and upgradation of technology to maintain the standard and quality of our services We are providing services that ensures customer satisfaction. We believe that we have long-term and stable relationships developed over the years with our key customers through the quality of services we provide.

Our company is in the current line of business for more than 20 years and the client lists includes various banks, insurance companies, financial service companies, etc. Also, we help our clients with our voice support services, field support services and Back Office Processing Services to provide a comprehensive range of services across all industry sectors to clients who are in need of specialist assistance. Our services can be tailored to meet the needs of each client. We make sure that we give our clients with the best so that they can meet the different challenges presented by business environment. We strive to use innovative strategies in order to ensure our client is exposed to the top-tier talent.

Our company is subsidiary of our promoter company Reliable Data Services Limited which is listed on SME Platform of National Stock Exchange of India Limited (NSE EMERGE). Kandarp Digi Smart BPO Limited is a Reliable Group Company driven by highly innovative team of professionals.

Our Company’s aims to be within the best companies in its line of business and is accordingly continuously investing in state of art technology conducive to realize this aim. Our Company with its team is committed to offer the most varied range and latest

technology for our services. To achieve the above stated aim, our Company is continuously investing in development of technologies.

Our Promoter Mr. Sunil Kumar Rai who has been instrumental in the growth of our business and actively advise us on finance, corporate strategy and planning. We have a strong management team with significant industry experience. Our Chairman and Managing Director, Mr. Sunil Kumar Rai has 27 years of experience in BPO industry thus vast experience of the Promoter has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoters and senior management team and their experience of over a decade in the industry in which our Company operates.

### **FINANCIAL SNAPSHOT:-**

Financial Snapshot of our Company as per Restated Standalone Financial Statements is as under: -

Particulars	(₹ in Lakhs)			
	For the period ended December 31, 2021	For the period ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Operations	899.25	1041.19	999.73	1103.85
Total Revenue	899.28	1053.55	1012.59	1106.67
EBITDA	121.03	48.21	199.83	233.48
PAT	71.23	10.56	111.54	148.09
PAT Margin (in %)	7.92	1.01	11.16	13.41

Note:-

1. *EBITDA Margin = (Restated Profit before tax + finance cost + depreciation and amortization expenses)/ Total Revenue*
2. *PAT Margin = PAT/ Total Revenue*

### **OUR STRENGTHS**

#### ***Our Distribution Network***

Our Distribution Network having locations all over India covering most part of India and providing services across all cities of India. It enables us to cater to a diverse mix of customers including Banks, corporate, small and medium enterprises (“SMEs”). Our large geographic coverage and operational network also ensures that to deliver expertise service to our customer. We believe this will also enable us to further integrate our operations, increase cost efficiencies and increase turnover of the Company. It also gives stability to processes, clients, employees. However, our experience plays a key role in such expansion and client acquisition.

#### ***Experienced management and a well-trained employee base***

Our management and employee team combines expertise and experience to outline plans for the future development of the Company. Mr. Sunil Kumar Rai, our Promoter and Managing Director have significant industry experience and has been instrumental in the consistent growth of our company. The promoters are supported by an experienced team who knows in and out of the Company’s business.

We believe that the knowledge and experience of our promoter and management enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business. For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to the chapter titled “Our Management” beginning on page 110 of this Draft Prospectus.

#### ***Existing client relationship***

Our Company has earned reputation based upon which we have been successful in retaining our reputed banks. We believe that we constantly try to address customer needs around services offered by us in field of Data processing service and management consultancy services. Our existing customer relationships help us to get repeat business from our customers. This has helped us maintain a long-term working relationship with our customers and improve our customer retention strategy.

We believe that our existing relationship with our customers represents a competitive advantage in gaining new customers and increasing our business.

### ***Diversified customer base and revenue sources***

We serve a diverse mix of end markets across several industry sectors such as banks, financial institutions, and other sectors. In our business, we serve a number of customers with variety of services such as back-office support, field support and voice support services. Since we cater to a diverse customer base, we have historically been able to pass a significant portion of increases in operating costs such as infrastructure cost, and other operating expenses through review and increases our service cost.

### ***Increasing the efficiency and knowledge of Employees***

Our Company believes not only keeping up with latest technology developments and quick adoption of the same but also in investing in right set of people at various levels. We focus on providing latest infrastructure, technology and facilities to enable our employees to train further and obtain new skill sets. Presently our Company is floated by a group of professionals comprising Chartered Accountants, MBAs etc, having business interest in IT enabled services, debt management services, collection from corporate clients, reconciliation, follow up, customized MIS etc. We also encourage & organize in-house technology discussion & knowledge sharing sessions to innovate new modes of development & incorporate new technologies to enhance our solution capability.

## **OUR STRATEGIES**

### ***Expand our Current Business Relationships***

Our goal is to build long-term sustainable business relationships with our customers to generate increasing revenues. We plan to continue to expand the scope and range of current services provided to our existing customers by continuing to build our expertise and extending our capabilities. Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer's base.

Our ability to maintain and improve the services we offer to customers enables us to generate stable revenue and minimize customer complaints. We now focus on guiding the overall experience of our customer which is intended to upgrade the experience of customer to one of much greater engagement and satisfaction.

### ***Optimal Utilization of Resources***

Our Company constantly endeavors to improve our service process, and will increase service activities to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our activities to develop customized systems and processes to ensure effective management control. We regularly analyse our existing policies to be carried out for providing our products which enables us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

We also intend to continue to build on our inclusive culture to ensure our employees remain engaged and committed to delivering exceptional service.

### ***Enhance operational controls to ensure timely completion of Service***

We continue to focus on enhancing operational controls and cost efficiencies through optimal service quality & cost management. Our ability to provide timely Completion of Service and quality service is key to our reputation and further expansion of our business. We also continue to implement various measures aimed at incremental improvement in operational efficiencies, such as deploying more professional for providing services. We also continue to adopt industry best practices and training for our employees to provide best services to our customers.

### ***To Build-Up a Professional Organization***

We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks etc. We have a blend of the experience and the sufficient staff for taking care of our day-to-day operations. We also consult with external agencies on a case-to-case basis on technical and financial aspects of our business. We wish to make it sounder and stronger in times to come

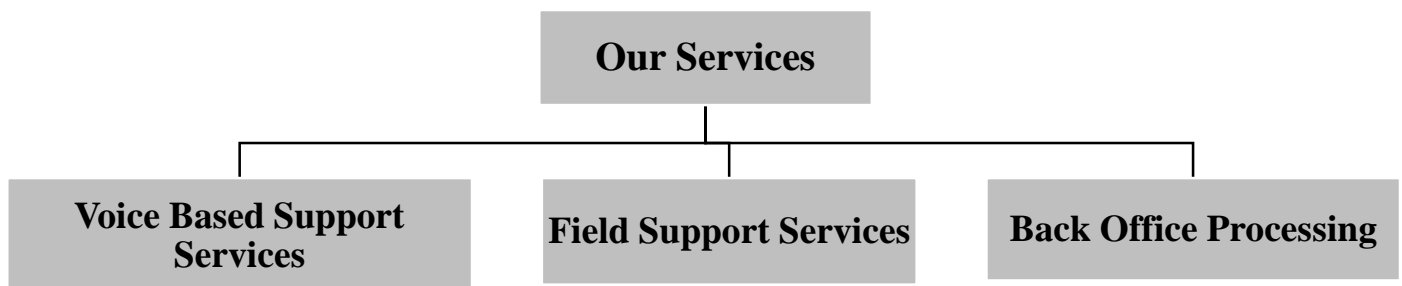
***Invest in infrastructure and technology***

Our Company believes in making investments for continuously achieving higher levels of excellence in its services and implement dynamic and diverse specifications of our customers. We have invested significantly in equipping our technical team with the latest and specialized infrastructure and modern technology. We want to continue to work towards the upgradation and modernization of our infrastructure and technology.

**OUR COMPANY HIGHLIGHTS**



**OUR SERVICE OFFERINGS**

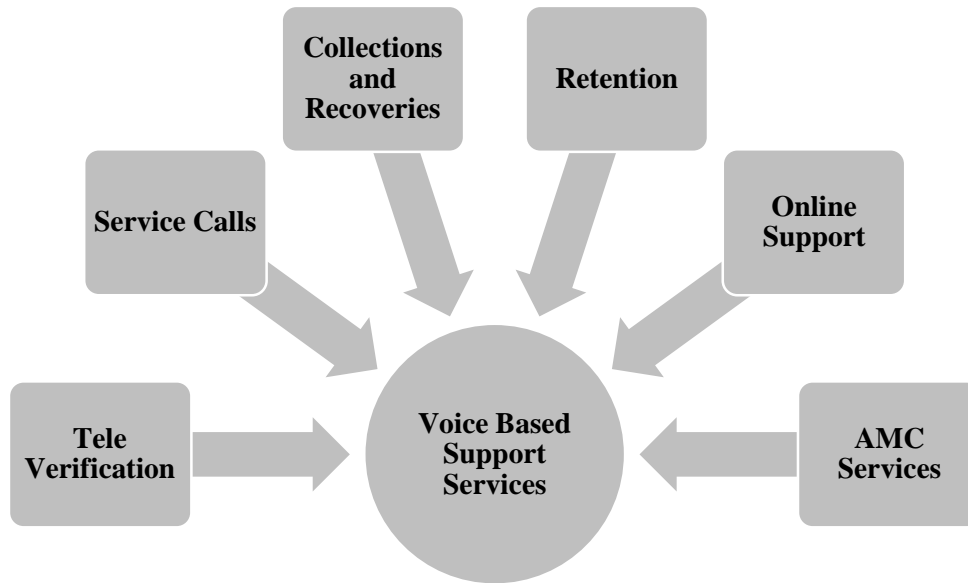


The following is an illustrative list of the services that we provide:

**1. Voice Based Support Services:**

Voice Support Services means the real-time, two-way voice services, as well as fax services and other calling and call management telephonic services, offered by Intermedia and its affiliates from time to time in its discretion and subscribed to, purchased by, or used by End Users. Our company delivers high standard voice support services that increases customer loyalty and retention, at exciting costs. Our call center outsourcing service is a cost-effective way to support businesses through Inbound and Outbound calls for support services, customer queries and help customers solve their technical problems. We are equipped to cater both inbound and outbound calls through efficient auto dialer. We cover a wide range of areas and drive improvements across the

enterprise. Our voice-based support services team has an industry experience of over a decade and bring with them immense understanding of critical business processes. Further our voice based support services includes:

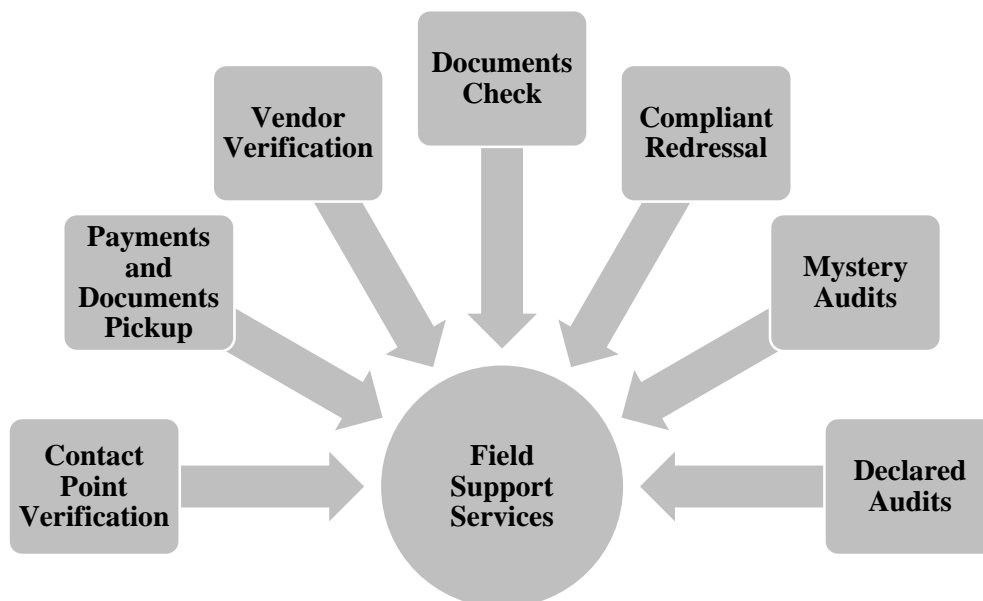


Voice process consists of two processes which are inbound voice process and Outbound Voice process:

- **Inbound Voice process:** This process handles all incoming calls of the customers and these calls may be regarding various types of issues. When a call is received from a customer, a customer care representative will try to resolve the issue. The issue can be resolved over the phone instantly or a suitable complaint will be raised.
- **Outbound Voice Process:** An Outbound process is tougher than the inbound voice process as here the customer care executive is needed to make call to the customers. The customer care executive has to gain the attention of the customers while making such calls and start pitching for the product. It is important to explain the benefits of the products in a meaningful way that can make an appeal to the customers.

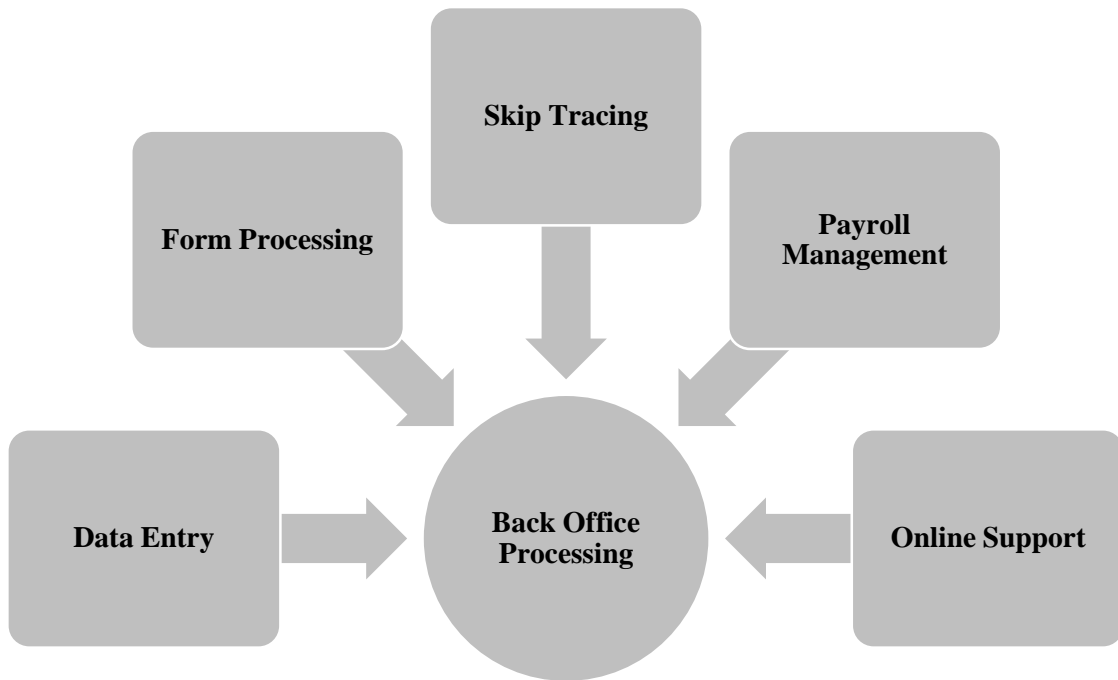
## 2. Field Support Services:

Field support services typically involves dispatching workers or employees to a location outside company premises to install, maintain or repair equipment, systems or assets. Field service managers keep track of an organization’s field resources and coordinate the work of field service practitioners who deliver skilled, specialized or proprietary services to clients.



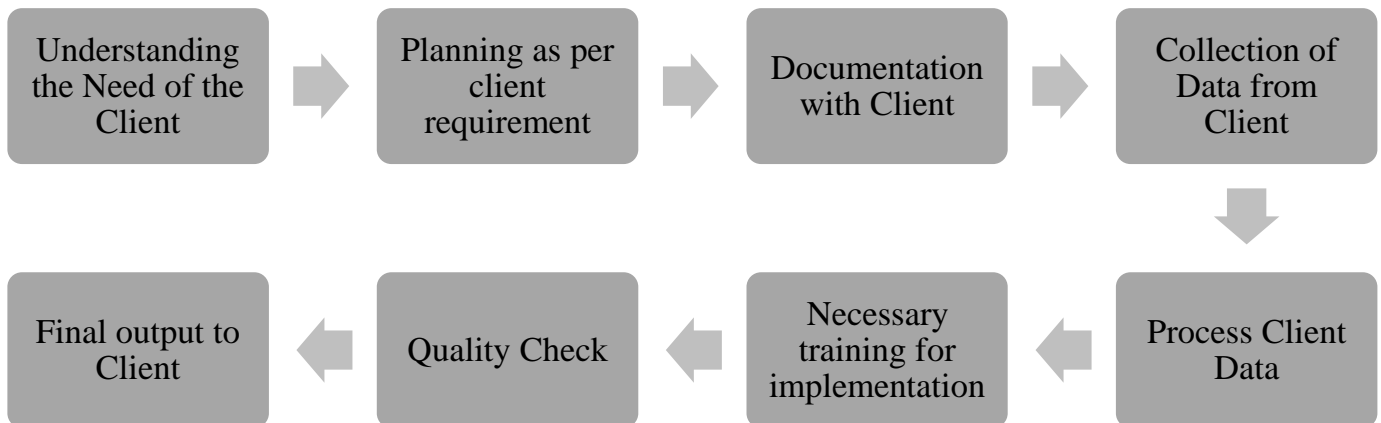
**3. Back Office Processing:**

Back-office services refer to business processes that take place behind-the-scenes. While back-office tasks are not as visible, they are imperative for businesses to be successful. Large Organizations usually outsource the back office related works to BPOs. Our company offers a cost-efficient way to have back-office matters taken care of by experts.



**SERVICE PROCESS FLOW:-**

Our Company provides service related to Voice based Support Services, Field Support Services and Back Office Processing Services. The basic service process flow of our Company is as follows:



**SALIENT FEATURES OF OUR SERVICE:**

- Timely completion of Service
- Efficiency
- Cost Effective
- Wide Distribution Network



- Smooth service Operations
- Customize Service

**SWOT ANALYSIS: -**

**STRENGTHS**

- Quality Services
- Cordial Relationship with Customers
- Ability to control cost
- Strong Network existing business

**WEAKNESSES**

- Strict policies of clients and Audit controls may pose real hurdle.
- Low bargaining power with customers

**OPPORTUNITIES**

- Huge Growth Potential in our service segment
- Possibility of providing associated Services along with main service offering

**THREATS**

- Increased Competition from Local & Big Players
- Change in Government Policies

**OUR CLIENT BASE**

Our clients are spread across wide variety of sectors like Banking, Insurance, Financial Services etc. The major clients include Public and Private sectors Banks, Insurance Companies, Financial Services Companies, NBFCs. Our company has also entered into service agreements with SBI, LIC Housing Finance limited, IDBI Bank, Fullerton India Credit Company Limited and Credit Saison for providing services.

Our strategy is to seek new customers and at the same time secure additional engagements from existing customers by providing timely and improved services.

We believe that our current capabilities and plans for the future will ensure that we are well positioned to attract and develop new customer relationships. Business from new customers is accepted upon consideration of factors such as alignment of capabilities and customer expectation, volume of business and future business, potential for close partnership with long-term association, and an analysis of upfront costs.

The following table illustrates the concentration of our revenues among our top customers:

**(Rs. in Lakhs)**

Particular	December 31, 2021		Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Revenue	In %	Revenue	In %	Revenue	In %	Revenue	In %
<b>Top 5 customers</b>	493.75	54.91	834.49	80.15	576.70	57.68	635.56	57.58
<b>Top 10 customers</b>	612.85	68.15	934.22	89.73	747.24	74.74	817.54	74.06

**REVENUE BREAKUP:**

**(Rs. in Lakhs)**

Particular	December 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
<b>Voice Based Support Services</b>	96.66	114.11	199.93	369.62
<b>Field Support Services</b>	243.03	209.57	582.91	490.03
<b>Back Office Processing</b>	559.56	717.51	216.89	244.20

## **OUR LOCATION**

<b>Registered Office</b>	GF-22, Hans Bhawan, 1, Bahadur Shah Zafar Marg, ITO, New Delhi East Delhi, Delhi- 110002, India.
<b>Corporate Office</b>	C- 69, C Block, Sector 2, Noida - 201301, Uttar Pradesh, India
<b>Branch office</b>	Old No. 7, New No. 13, First Street, Nandanam Extention, Chennai – 600035, Tamil Nadu, India.

## **PLANT & MACHINERY**

Since we are in service sector, we do not own plant and machinery.

## **CAPACITY UTILIZATION**

Our Company being in the service industry installed capacity and capacity utilization is not applicable to us.

## **COLLABORATIONS/ TIE – UPS/ JOINT VENTURES**

Except as disclosed in this Draft Prospectus, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date of Draft Prospectus.

## **EXPORT AND EXPORT OBLIGATION**

Our Company does not have any export obligation as on date.

## **UTILITIES AND INFRASTRUCTURE FACILITIES**

Our registered office is located at New Delhi, Corporate office at Noida and Branch office at Chennai. All our offices are equipped with computer systems, servers, relevant software and other communication equipment's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

### Power

Our Company requires power for the normal requirement of the Office for lighting, systems etc. Adequate power is available which is met through the electric supply.

### Water

Water is required for human consumption at office and adequate water sources are available from municipal water supply. The requirements are fully met at the existing premises.

## **HUMAN RESOURCES**

Our Company believe that our employees are key contributors to our business success and its ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on March 31, 2022 our Company has 41 employees on payroll. Bifurcation is as follows:

<b>Particulars</b>	<b>No. of Employees</b>
Administration Department	15
Senior Management	17
Field Work	9

Further our company hire temporary employees according to the requirement of our Clients. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

## **SALES AND MARKETING**

We have some reputed companies in this industry as our customers. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our team through their vast experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our team regularly interacts with them and focuses on gaining an insight into the additional needs of such customers.

We have spread our presence to domestic markets with large sales potential, low infrastructure costs and the availability of professional expertise. We have experienced & skill management team to motivate the sub-ordinates & staff to step towards their achievements & organizational goals. With their efficient management skills & co-ordination with sub-ordinate, they are always working as a catalyst to encourage the entire team for the development & nourishment of the organization.

### **Marketing Strategy:**

Our Company's strategy is poised towards maintaining a mutually fruitful relationship with its clients by continuous servicing. The services designed according to specification of our clients and timely adherence and effective redressal of customer grievances has enabled us to maintain a cordial relationship with all our customers.

We intend to focus on following marketing strategies:

1. Focus on existing markets.
2. To expand our existing distribution base
3. Continuously holding markets Trends.
4. Supply of Quality Services.

## **INSURANCE**

We maintain a range of insurance policies to cover our assets, risks and liabilities. Substantially all of our insurance policies related to our movable property, provide appropriate coverage in relation to fire, explosions, floods, inundations, earthquakes, landslides. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India

## **COMPETITION**


The service industry is unorganized, competitive and highly fragmented in India. We believe that the principal competitive factors include service quality, reliability, and price that are able to comprehensively address varying requirements of different customer segments and specific customer needs. We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality and timely services at competitive prices, thereby strengthening our brand over the years.

### **Our Edge over other vendors:**

- Verification Reports are delivered with photographs of customer's site and GPS coordinate to provide accurate and authentic reports.
- In house experienced technology team to support ops with required software's
- Highly experienced team to handle the activity in extremely professional manner
- Team collectively comprised of best members gathered from different Corporate sectors thus have knowledge of working culture.

## **PROPERTY**

### **Intellectual Property**

Our Company is using  trademark which is not registered on name of our Company.

**The Details of Domain Name registered on the name of the Company is: -**

S.No	Domain Name	Sponsoring Registrar and ID	Registrant Name	Creation Date	Registry Expiry Date
1.	<a href="https://www.kdsbpo.com/">https://www.kdsbpo.com/</a>	Registry Domain ID: 2665527717_DOMAIN_CO M-VRSN Registrar IANA ID: 303	Registrar URL: www.publicdomainregistry.com  Registrant Organization: KDS BPO	02.01.202 2	02.01.202 3

**IMMOVABLE PROPERTY**

Details of our properties are as follows: -

**Properties owned/Leased by the Company**

S. No.	Details of the Property	Licensor/Lessor/Vendor	Owned/Leased	Consideration/ Lease Rental/ License Fees (in Rs.)	Use
1.	GF-22, Hans Bhawan, 1, Bahadur Shah Zafar Marg, ITO, New Delhi East Delhi, Delhi-110002, India.	Reliable Data Services Limited	Leased	Rent Agreement dated September 20, 2021 between Reliable Data Services Limited and Kandarp Management Services Private Limited for period of 11 Months at monthly rent of Rs. 10,000/-	Registered Office
2.	C- 69, C Block, Sector 2, Noida - 201301, Uttar Pradesh, India	Authentic Developers Private Limited	Leased	Rent Agreement dated February 01, 2022 between Authentic Developers Private Limited and Kandarp Management Services Private Limited for period of 11 Months at monthly rent of Rs. 40,000/-	Corporate Office
3.	Old No. 7, New No. 13, First Street, Nandanam Extension, Chennai - 600035, Tamil Nadu, India	Mr. Vinayak Sharma and Mrs. Nalini Vinayak	Leased	The deed of Lease dated February 01, 2022 between Mr. Vinayak Sharma and Mrs. Nalini Vinayak and Kandarp Management Services Private Limited for period of 11 Months at monthly rent of Rs. 70,000/-	Branch Office

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 180 of this Draft Prospectus.*

### **THE COMPANIES ACT**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **SEBI REGULATIONS**

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **TAX RELATED REGULATIONS**

#### **Income Tax Act, 1961**

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30<sup>th</sup> September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### **Goods and Service Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid for purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

#### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported

goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administered by Central Board of Excise and Customs under the Ministry of Finance.

## **BUSINESS / TRADE RELATED LAWS / REGULATIONS**

### **The Information Technology Act, 2000 (IT Act)**

The Information Technology Act, 2000 (also known as “ITA-2000”, or the “IT Act”) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. The Act provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "electronic commerce", which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Bankers' Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto. A major amendment was made in 2008 introducing Sections 66A and 69 giving wide powers to the government authorities.

### **The Personal Data Protection Bill, 2019 (“Bill”)**

The Personal Data Protection Bill, 2019 was introduced in Lok Sabha on December 11, 2019. The Bill seeks to provide for protection of personal data of individuals, and establishes a Data Protection Authority for the same. Data Protection refers to the set of privacy laws, policies and procedures that aim to minimize intrusion into one's privacy caused by the collection, storage and dissemination of personal data. Personal data generally refers to the information or data which relate to a person who can be identified from that information or data whether collected by any Government or any private organization or an agency.

### **National Digital Communications Policy 2018**

With significant capabilities in both telecommunications and software, India, more than most countries, stands poised to benefit from harnessing new digital technologies and platforms to unlock productivity, as well as to reach unserved and underserved markets; thus, catalyzing economic growth and development, generating new-age jobs and livelihoods, and ensuring access to next generation services for its citizens. This policy aims for Universal Coverage rather than revenue maximization. This policy and principles framework will enable creation of a vibrant competitive telecom market to strengthen India's long-term competitiveness and serve the needs of our aspiring nation. The Policy aims to remove regulatory barriers and reduce the regulatory burden that hampers investments; innovation and consumer interest and identifies steps to strengthen the sector's institutional mechanism and legislative framework, to ensure that India's economy and citizens can derive the full potential of its digital communications sector.

### **Data Center Policy, 2020**

Indian Data Centre market has seen tremendous growth in the past decade, riding on the explosion of data through smart phones, social networking sites, ecommerce, digital entertainment, digital education, digital payments and many other digital businesses/services. This growth in data is further stimulated by adoption of emerging technologies such as quantum computing, artificial intelligence, internet of things etc. While the Data Centre sector is witnessing growth in the country, there are known impediments to its growth such as lack of infrastructure or Industry status of the Data Centres, complex clearance processes, time consuming approvals, high cost of power, lack of published standards, absence of specialized building norms for building the Data Centres, submarine cable network connectivity limited to few states and high cost of capital and operational expenditure etc. This policy aims to offset these challenges in order to accelerate the current pace of growth and propel India in becoming a global Data Centre hub. Several states have also formulated their own data center policy in line with the central policy.

### **The Telecom Commercial Communications Customer Preference Regulations, 2018:**

On July 19, 2018, the Telecom Regulatory Authority of India (‘TRAI’) notified the Telecom Commercial Communication Customer Preference Regulation, 2018 (‘Customer Preference Regulations’) to curb the problem of unsolicited commercial communication (popularly known as ‘spam’). The Customer Preference Regulations, inter alia, provide for: (i) registration of senders (businesses and telemarketers) with telecom service providers to reducing the ability of unknown entities reaching customers with calls and messages that are fraudulent or otherwise of dubious nature; (ii) registration of headers, i.e. alphanumeric string of characters or numbers assigned to a sender of commercial communications for segregating different types of messages related to one time passwords, balance enquires, flight alerts, special offers, etc.; and (iii) complete control to the subscriber to consent to receiving commercial communication and the ability to revoke the consent already granted. Additionally, the concept of registered templates for both message service and voice communication has been introduced to prevent deliberate mixing of

promotional messages into the transactional stream. The salient features of these regulations also include the adoption of 'distributed ledger technology' (or blockchain) by telecom service providers to ensure regulatory compliance is carried out for sending commercial communication. Every telecom service provider is required to develop an ecosystem, with the prescribed functions, to regulate the delivery of the commercial communications to customers.

#### **Guidelines for Other Service Providers, 2020:**

In view of proliferation of Telecom services and advancement of technology and the receipt of representations from Industry during 2015, a reference was sent to TRAI for soliciting recommendations on the Terms & Conditions for registration of OSPs. After the receipt of TRAI Recommendations on 21.10.2019 on 'Review of Terms and Conditions for registration of Other Service Providers (OSPs)' and the deliberations with various stake holders, the Government drastically simplified the OSP guidelines with an aim to qualitatively improve the 'Ease of Doing Business' for the IT Industry particularly BPO and IT Enabled Services by first issuing the 'New Guidelines for OSPs' on 05.11.2020. These guidelines did away with the registration requirements and removed the requirements of periodic compliances with other liberalisation.

These Guidelines were further amended and the 'Revised Guidelines for OSPs' dated 23.06.2021 were issued which are more liberal and in line with the moto of "Ease of Doing Business" and aims to give further impetus to the growth of IT & ITeS industry in the country. In addition to the relaxations given vide guidelines dated 05.11.2020, the revised guidelines provided further relaxations.

#### **Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks:**

These guidelines requires banks to have due-diligence process in place for engagement of recovery agents, which should be so structured to cover, among others, individuals involved in the recovery process. The due diligence process should generally conform to the guidelines issued by RBI on outsourcing of financial services vide [circular DBOD.No.BP.40/ 21.04.158/ 2006-07 dated November 3, 2006](#). Further, banks should ensure that the agents engaged by them in the recovery process carry out verification of the antecedents of their employees, which may include pre-employment police verification, as a matter of abundant caution. Banks may decide the periodicity at which re-verification of antecedents should be resorted to. Further among others, these guidelines requires the banks to ensure that contracts with the recovery agents do not induce adoption of uncivilized, unlawful and questionable behaviour or recovery process and to ensure that the recovery agents are properly trained to handle with care and sensitivity, their responsibilities, in particular aspects like hours of calling, privacy of customer information etc.

#### **LAWS RELATED TO FOREIGN TRADE:**

##### **Foreign Exchange Management Act, 1999 ("FEMA") and Regulations framed thereunder.**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services. 100 % FDI is permitted under the automatic route in the IT sector.

##### **Foreign Trade Policy 2015-2020:**

FTP 2015-20 provides a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in line with the 'Make in India' programme. It introduces two new schemes, namely 'Merchandise Exports from India Scheme (MEIS)' for export of specified goods to specified markets and 'Services Exports from India Scheme (SEIS)' for increasing exports of notified services. In view of the unprecedented current situation arising out of the pandemic Novel COVID-19 and to provide continuity in the policy regime, the FTP 2015-2020, valid till 31.03.2022 has been further extended till 30.09.2022 with similar extensions made in the related procedures.

## **OTHER GENERAL REGULATIONS**

### **Registration Act, 1908**

The Registration Act, 1908 (“Registration Act”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **Negotiable Instruments Act, 1881 (“NI Act”)**

The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid.

### **Consumer Protection Act, 2019**

Few of the provisions of The Consumer Protection Act, 2019 (“COPRA”) have been notified vide notification No. S.O. 2421E, dated 23rd July 2020 thus repealing the respective provisions of Consumer Protection Act, 1986. However, the provisions of Consumer Protection Act, 1986, are still valid to the extent COPRA being not notified. The Consumer Protection Act provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA has brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online market place or online auction sites. The COPRA also provides for mediation cells for early settlement of the disputes between the parties.

### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **The Sale of Goods Act, 1930 (Sale of Goods Act)**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

### **Registration Act, 1908**

The Registration Act, 1908 (“Registration Act”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that



correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act, 2002. The provisions of the Competition Act relating to combinations were notified on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

### **Shops and Establishments Laws in Various States**

As per the provisions of local Shops and Establishments laws applicable in the state of business of the organization, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

### **LAWS RELATED TO ENVIRONMENTAL LAWS**

#### **National Environmental Policy, 2006**

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

#### **Environment (Protection) Act, 1986 as amended (“EPA”)**

EPA provides for the prevention, control and abatement of pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

### **LAWS RELATED TO THE STATE:**

#### **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted law empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

#### **Approvals from Local Authorities**

Setting up of a factory or manufacturing entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Copyright Act, 1957 (“Copyright Act”)**

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. Softwares are protected under Copyright Act in India.

### **Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

### **The Designs Act, 2000 (Designs Act)**

The objective of Designs Act it to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

## **LAWS RELATED TO EMPLOYMENT OF MANPOWER:**

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

### **The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

### **Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)**

This Act has provisions to ensure that the contract labour is not misused and the rights of workers employed on contract basis are protected. The Act does not ban contract labour altogether, but puts certain restrictions on it and prohibits it under certain

circumstances. The labour Law allows hiring fixed term contract workers for tasks of permanent nature. There is no maximum length of fixed term contracts provided under the labour laws.

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **Employees State Insurance Act, 1948, as amended (the "ESIC Act")**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### **Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed ₹ 1 million.

### **Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,**

The Apprentices Act, 1961 was enacted with the objective of regulating the program of training of apprentices in the industry by utilizing the facilities available therein for imparting on-the-job training. The National Policy of Skill Development and Entrepreneurship 2015, launched by the Hon'ble Prime Minister on 15th July, 2015, focuses on apprenticeship as one of the key program for creating skilled manpower in India. The Apprentices Act, 1961 makes it obligatory for employers to engage apprentices under a duly executed contract, in designated trades and in optional trades. Directorate General of Training (DGT) under Ministry of Skill Development & Entrepreneurship monitors the implementation of the scheme of apprenticeship training. All establishments having work force (regular and contract employees) of 30 or more are mandated to undertake Apprenticeship Programs in a range from 2.5% -15% of its workforce every year.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 ("MWA Rules")
- Payment of Bonus Act, 1965 ("POB Act")
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")
- Equal Remuneration Act, 1976 ("ER Act")
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 ("WCA")

- Maternity Benefit Act, 1961 ("Maternity Act")
- Industrial Employment Standing Orders Act, 1946

**Other regulations:**

In addition to the above, the Company is required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

## HISTORY AND CORPORATE STRUCTURE

### **Brief History and Background**

Our Company was originally incorporated on February 07, 2001 as “Dynamic Restructuring Management Services Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, N.C.T of Delhi & Haryana. The name of our company was changed from “Dynamic Restructuring Management Services Private Limited” to “Kandarp Management Services Private Limited” and fresh certificate of incorporation dated March 23, 2010 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further the name of our company was changed from “Kandarp Management Services Private Limited” to “Kandarp Digi Smart BPO Private Limited” and fresh certificate of incorporation dated December 09, 2021 was issued by Registrar of Companies, Delhi. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Kandarp Digi Smart BPO Private Limited” to “Kandarp Digi Smart BPO Limited” vide fresh certificate of incorporation dated March 22, 2022 issued by the Registrar of Companies, Delhi.

Our Company was originally promoted by Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak who were the initial subscribers to the Company’s Memorandum and Articles of Association. Mr. Sunil Kumar Rai, Mrs. Meenakshi Pathak and M/s Reliable Data Services Limited, are the present promoters of our Company.

As on date of this Draft Prospectus, our Company has seven (7) shareholders.

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled “Industry Overview”, “Business Overview”, “Our Management”, “Financial information of our company” and “Management ‘s Discussion and Analysis of Financial Condition and Results of Operations” on pages 78, 88, 110, 134, and 167 respectively.

### **Address of Registered Office:**

The Registered Office of the Company is situated at GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India.

### **Changes in Registered Office of the Company since incorporation**

There has not been any change in our Registered Office since incorporation till date of this Draft Prospectus except below change:

From	To	With effect from	Reason for Change
1/4709, Balbir Nagar, Extn Shahdara, Delhi – 110032, India	B-184, MIG Flats, East of Loni Road, Delhi – 110093, India	September 28, 2001	For Administrative Convenience
B-184, MIG Flats, East of Loni Road, Delhi – 110093, India	B-669, MIG Flats, East of Loni Road, Delhi – 110093, India	May 23, 2002	For Administrative Convenience
B-669, MIG Flats, East of Loni Road, Delhi - 110093	GF-22, Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi - 110001, Delhi, India	June 01, 2013	For Administrative Convenience
GF-22, Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi - 110001, Delhi, India	GF-22, Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi - 110002, Delhi, India	October 13, 2018	Correction in Pin Code

### **Our Main Object**

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business of providing services regarding Restructuring, Redesigning, Development, Deployment and Consultancy in the fields of Capital, Asset including Current Assets, Human Resources, and other inputs and Resources including Net worth, Funds, Working Capital, and means to achieve the same Equity, Debenture, Deposits, project Finance, consumer Finance, Product Finance, including Appraisal, Ascertainment. Calculation, Procurement, Syndication, Utilization and also providing services and system in matter relating to Development. Design Redesign, Maintenance. Consultancy of Management System, Debt Management, Factoring and other related items.
2. To carry on the business of providing services of Data Processing. E-Commerce Software Web based information, Back Office Activities, Call Centers in the field's Working Capital Management, Net Worth. Market Share Growth

Management, Inventory Control, Cost Control, Marketing, Market Research and Analysis, Collaborations including foreign, import, Exports and Accounting Controls and other related areas.

3. To carry on the business of providing Services and Systems including Advice, and Consultancy in various fields of Management Systems including General, Managerial, Administration, Secretarial, Financial, Commercial, Legal, Marketing and Economic Matters including Assistance in diagnosing Management difficulties and suggest remedial measures to overcome the same.
4. To undertake promote and co-ordinate Project Studies, arrange Collaborations to extend Technical Assistance and Services, prepare Project Reports, make Arrangements and Agreements for providing assistance in finding the market and resources for Goods, Services, Skills of Indian and Foreign Origin.
5. To undertake travel management services including Rail/Air ticking, tour operation both inbound & outbound, transport services and other services related to travel & tour operation.

### Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	Change in the name of company from Dynamic Restructuring Management Services Private Limited to Kandarp Management Services Private Limited	February 11, 2010	Extra-Ordinary General Meeting
2.	Increase in Authorised Capital of the Company from Rs. 1,00,000 (One Lakh) divided into 10,000 equity shares of Rs. 10/- each to Rs. 25,00,000 (Twenty-Five Lakhs) divided into 2,50,000 equity shares of Rs. 10/- each	January 02, 2014	Extra-Ordinary General Meeting
3.	Increase in Authorised Capital of the Company from Rs. 25,00,000 (Twenty-Five Lakhs) divided into 2,50,000 equity shares of Rs. 10/- each to Rs. 1,00,00,000 (One Crore) divided into 10,00,000 equity shares of Rs. 10/- each	March 31, 2017	Extra-Ordinary General Meeting
4.	Change of Name of Company from Kandarp Management Services Private Limited to Kandarp Digi Smart BPO Private Limited.	November 08, 2021	Extra-Ordinary General Meeting
5.	Alteration/Substitution of the existing Memorandum of Association by the new set of Memorandum of Association in accordance with Table A of Schedule I of the Companies Act, 2013.	November 08, 2021	Extra-Ordinary General Meeting
6.	Increase in Authorised Capital of the Company from Rs. 1,00,00,000 (One Crore) divided into 10,00,000 equity shares of Rs. 10/- each to Rs. 10,00,00,000 (Ten Crore) divided into 1,00,00,000 equity shares of Rs. 10/- each	December 18, 2021	Extra-Ordinary General Meeting
7.	Conversion of Company into Public limited Company and change in name of company from Kandarp Digi Smart BPO Private Limited to Kandarp Digi Smart BPO Limited vide fresh Certificate of Incorporation issued by Registrar of Companies, Delhi dated March 22, 2022	February 17, 2022	Extra-Ordinary General Meeting

### Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-Ordinary General Meeting of the Company dated January 31, 2022.

### Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
2000-01	Incorporation of the Company in the name and style of "Dynamic Restructuring Management Services Private Limited"
2009-10	Changed the name of company from Dynamic Restructuring Management Services Private Limited to Kandarp Management Services Private Limited
2013-14	Became the subsidiary of our promoting company Reliable Data Services Limited.
2021-22	Changed the name of Company from Kandarp Management Services Private Limited to Kandarp Digi Smart BPO Private Limited Converted into Public Limited Company vide fresh certificate of incorporation dated March 22, 2022

## **Other Details about our Company**

For details of our Company's activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled "Business Overview", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price" on pages 88, 167 and 72 respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" beginning on pages 110 and 50 of this Draft Prospectus respectively.

## **Acquisition of Business/Undertakings & Amalgamation**

Except as disclosed in this Draft Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

## **Holding Company**

Reliable Data Services Limited, the Promoter of our Company, is our holding company as on the date of this Draft Prospectus. For further details, please refer to chapter titled "Our Promoters and Promoter Group" on page 121 of this Draft Prospectus.

## **Subsidiary of our Company**

As on the date of this Draft Prospectus, there are no subsidiaries of our Company.

## **Capital raising (Debt / Equity)**

For details in relation to our capital raising activities through equity, please refer to the chapter titled "Capital Structure" beginning on page 50 of this Draft Prospectus. For details of our Company's debt facilities, please refer section "Financial Information of our Company" on page 134 of this Draft Prospectus.

## **Time and Cost overruns in setting up projects**

There has been no time / cost overrun in setting up projects by our Company.

## **Injunction or restraining order**

There are no injunctions/ restraining orders that have been passed against the Company.

## **Revaluation of Assets**

Our Company has not revalued its assets since incorporation

## **Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Draft Prospectus. Furthermore, except as disclosed in chapter titled "Capital Structure" beginning on Page 50 of this Draft Prospectus, none of the Company's loans have been converted into equity in the past.

## **Lock-out or strikes**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Draft Prospectus, our employees are not unionized.

## **Shareholders of our Company:**

Our Company has Seven (7) shareholders as on the date of this Draft Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled "Capital Structure" beginning on page 50 of this Draft Prospectus.

## **Changes in the Management**

For details of change in Management, please see chapter titled "Our Management" on page 110 of this Draft Prospectus.

### **Changes in activities of our Company during the last five (5) years**

There has been no change in the business activities of our Company during last five (5) years from the date of this Draft Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled “Management’s discussion and analysis of financial conditions & results of operations” beginning on page 167 of this Draft Prospectus.

### **Shareholders Agreements**

As on the date of this Draft Prospectus, there are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

### **Collaboration Agreements**

As on the date of this Draft Prospectus, our Company is not a party to any collaboration agreements.

### **Material Agreement**

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

### **OTHER AGREEMENTS**

#### **Non-Compete Agreement**

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Draft Prospectus.

#### **Joint Venture Agreement**

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

#### **Strategic Partners**

Except as mentioned in this Draft Prospectus, Our Company does not have any strategic partners as on the date of this Draft Prospectus.

#### **Financial Partners**

Our Company does not have any financial partners as on the date of this Draft Prospectus.

### **Corporate Profile of our Company**

For details on the description of our Company’s activities, the growth of our Company, please see “Business Overview”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis of Issue Price” on pages 88, 167 and 72 of this Draft Prospectus.



## OUR MANAGEMENT

**Board of Directors:** As per the Articles of Association, our Company is required to have not less than Three (3) Directors and not more than Fifteen (15) Directors. Currently, our Company have Five (5) directors of which two (2) are Independent Directors and one (1) is Non - Executive Director.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Prospectus:

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
1.	<p><b>Mr. Sunil Kumar Rai</b>  <b>Father Name:</b> Mr. Mahendra Rai  <b>Date of Birth:</b> 17/10/1970  <b>Age:</b> 51 Years  <b>Designation:</b> Chairman cum Managing Director  <b>Address:</b> A-2 602, Plot No: 18, Sector 19a, Near Gurudwara Nerul East Navi Mumbai, Thane - 400706, Maharashtra India.  <b>Experience:</b> 27 Years  <b>Occupation:</b> Business  <b>Qualifications:</b> Bachelor of Commerce and CA Intermediate  <b>Nationality:</b> Indian  <b>DIN:</b> 01989744</p>	<p>Originally appointed on the Board as Director on incorporation.</p> <p>Further resigned from Board w.e.f. July 23, 2012.</p> <p>Further appointed on the Board as Director w.e.f. February 25, 2021.</p> <p>Further designated as Chairman cum Managing Director w.e.f. April 11, 2022 not liable to retire by rotation.</p>	<p>1,26,000 Equity Shares; 2.01% of Pre- Issue Paid up capital</p>	<ul style="list-style-type: none"> <li>➤ Reliable Data Services Limited</li> <li>➤ Bhumika Arts Foundation</li> </ul>
2.	<p><b>Mrs. Meenakshi Pathak</b>  <b>Father Name:</b> Mr. Shravan Kumar Mishra  <b>Date of Birth:</b> 16/06/1977  <b>Age:</b> 44 Years  <b>Designation:</b> Whole-Time Director  <b>Address:</b> B-669, MIG Flats, Near Siddharth International Public School, East of Loni Road, Mandoli. North East Delhi-110093, Delhi, India.  <b>Experience:</b> 12 Years  <b>Occupation:</b> Business  <b>Qualifications:</b> Bachelor of Commerce  <b>Nationality:</b> Indian  <b>DIN:</b> 02009605</p>	<p>Originally appointed on the Board as Director on incorporation.</p> <p>Further resigned from Board w.e.f. August 14, 2012.</p> <p>Further appointed on the Board as Whole-Time Director w.e.f. April 11, 2022 liable to retire by rotation.</p>	<p>5,00,400 Equity Shares; 7.98% of Pre- Issue Paid up capital.</p>	<ul style="list-style-type: none"> <li>➤ Bhumika Arts Foundation</li> <li>➤ Bhumika Fashions Private Limited</li> </ul>
3.	<p><b>Mr. Pankaj Rai</b>  <b>Father Name:</b> Mr. Devendra Rai  <b>Date of Birth:</b> 03/11/1974  <b>Age:</b> 47 Years  <b>Designation:</b> Non-Executive Director  <b>Address:</b> Servey No.73/1/1/2, Sushant Residency, B-504, 5<sup>th</sup> Floor, Bhagat Singh Chowk, Anand Nagar, Pimple Gurav, Pune-411061, Maharashtra, India.  <b>Experience:</b> 18 Years</p>	<p>Appointed on the Board as Non-Executive Director w.e.f. August 14, 2012.</p>	<p>NIL</p>	<p>NIL</p>

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
	<b>Occupation:</b> Business <b>Qualifications:</b> Bachelor of Commerce <b>Nationality:</b> Indian <b>DIN:</b> 05250574			
4.	<b>Mrs. Anita Jha</b> <b>Father Name:</b> Mr. Lakshmeshwar Jha <b>Date of Birth:</b> 01/01/1972 <b>Age:</b> 50 Years <b>Designation:</b> Independent Director <b>Address:</b> C-56, Flat No-FF-3, Shalimar Garden Extension-2, Sahibabad, Ghaziabad - 201005, Uttar Pradesh, India <b>Experience:</b> 20 Years <b>Occupation:</b> Self-Employed <b>Qualifications:</b> Bachelor of Arts (Honors) <b>Nationality:</b> Indian <b>DIN:</b> 08778164	Appointed as Independent Director w.e.f. September 30, 2021 not liable to retire by rotation	NIL	<ul style="list-style-type: none"> <li>➤ Sharp Eagle Investigation Private Limited</li> <li>➤ Reliable Data Services Limited</li> </ul>
5.	<b>Mr. Pramod Kumar Tiwari</b> <b>Father Name:</b> Mr. Chandra Shekhar Tiwari <b>Date of Birth:</b> 01/08/1969 <b>Age:</b> 52 Years. <b>Designation:</b> Independent Director <b>Address:</b> H No.91, Sector 5, Gurgaon - 122001, Haryana, India <b>Experience:</b> 24 Years <b>Occupation:</b> Service <b>Qualifications:</b> Master of Commerce <b>Nationality:</b> Indian <b>DIN:</b> 08777899	Appointed as Independent Director w.e.f. April 11, 2022 not liable to retire by rotation	NIL	<ul style="list-style-type: none"> <li>➤ Reliable Data Services Limited</li> </ul>

### **BRIEF PROFILE OF OUR DIRECTORS**

#### **1. Mr. Sunil Kumar Rai, Chairman cum Managing Director, Age: 51 Years**

Mr. Sunil Kumar Rai, 51 years is Chairman and Managing Director and also the Promoter of our Company. He holds a degree in Bachelor of Commerce from University of Allahabad and Intermediate passed from ICAI. He is designated as the Chairman and Managing Director of the Company on April 11, 2022 for a period of 5 years not liable to retire by rotation. He is having experience of 27 years in field of Business Processing Outsourcing. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

#### **2. Mrs. Meenakshi Pathak, Whole-Time Director, Age: 44 Years**

Mrs. Meenakshi Pathak, aged 44 years, is the Whole-Time Director and also the Promoter of our Company. She holds degree in Bachelor of Commerce. She was originally appointed on the Board on February 07, 2001 and further resigned from the Board w.e.f. August 14, 2012. Further she was appointed on Board as Whole-Time Director w.e.f. April 11, 2022 liable to retire by rotation. She has experience of 12 years in field of administration.

#### **3. Mr. Pankaj Rai, Non-Executive Director, Age: 47 Years**

Mr. Pankaj Rai, aged 47 years is the Non-Executive Director of our Company. He holds degree in Bachelor of Commerce. He was appointed on the Board on August 14, 2012 as Non-Executive Director. He is having experience of 18 years in field of Business Processing Outsourcing.

#### **4. Mrs. Anita Jha, Independent Director, Age: 50 Years**

Mrs. Anita Jha, aged 50 years is Independent Director of our Company. She was appointed as Independent Director on the Board w.e.f. September 30, 2021 for 5 years. She holds degree in Bachelor of Arts (Honors) having experience of 20 Years in field of being Educationist.

#### **5. Mr. Pramod Kumar Tiwari, Independent Director, Age: 52 Years**

Mr. Pramod Kumar Tiwari, aged 52 years is Independent Director of our Company. He was appointed as Independent Director on the Board w.e.f. April 11, 2022. He holds degree in Master of Commerce having experience of 24 years in Accounts and finance.

#### **Confirmations**

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of the above-mentioned Directors are on the RBI list of willful defaulters or fraudulent borrower as on the date of filing of this Draft Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.
- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Directors and promoters of our company.

Except as disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on Page 175 of this Draft Prospectus, there is no criminal cases filed or being undertaken with regard to alleged commission of any offence by any of our directors which also effected the business of our company and none of directors of our Company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.

Further, our Company, our Promoter, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

#### **Nature of any family relationship between any of our Directors:**

None of the Directors of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

#### **Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

#### **Service Contracts:**

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

#### **Details of Borrowing Powers of Directors**

Our Company has passed a Special Resolution in the Extra-ordinary General Meeting of the members held on April 11, 2022, authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 100 Crore (Rupees One Hundred Crore only).

#### **Compensation of our Managing Director and Whole Time Director**

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable

provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Director:

Particulars	Mr. Sunil Kumar Rai	Mrs. Meenakshi Pathak
Re-Appointment / Change in Designation	April 11, 2022	April 11, 2022
Designation	Chairman cum Managing Director	Whole-Time Director
Term of Appointment	5 Years	5 Years
Remuneration Payable from FY 2022-23	Rs. 3.60 Lakhs per annum	Rs. 3.00 Lakhs per annum
Remuneration paid for Year 2021-22	Nil	Nil

*Our company does not have any Subsidiary Company.*

#### **Bonus or Profit Sharing Plan for our Directors**

We have no bonus or profit-sharing plan for our Directors.

#### **Sitting Fee**

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director & Whole- Time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors has resolved in their meeting dated April 20, 2022 for payment to all Non-Executive Independent Directors for attending each such meeting of the Board or Committee thereof.

#### **SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY**

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Sunil Kumar Rai	1,26,000	2.01
2.	Mrs. Meenakshi Pathak	5,00,400	7.98

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Prospectus*

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

#### **INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer- “Compensation of our Managing Director a Whole Time Directors” above, under chapter titled “Our Management” beginning on page 110 of this Draft Prospectus

Our directors may also be regarded as interested their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are interested in the Company in the following manner:

Director	Particulars
Mrs. Meenakshi Pathak	- Immediate Relative of Mrs. Meenakshi Pathak has provided the personal guarantee for Loan taken by our Company from HDFC Bank Limited of Rs. 200.00 Lakhs
Mr. Pankaj Rai	- Mr. Pankaj Rai has provided the personal guarantee for Loan taken by our Company from HDFC Bank Limited of Rs. 200.00 Lakhs

Further our director may also be interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our directors may also be interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated otherwise in this Draft Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of this Draft Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section “Our Management” or the section titled “Restated Financial Statement - Related Party Transactions” beginning on page 110 and 134 respectively of this Draft Prospectus, and except to the extent of shareholding in our Company, our directors do not have any other interest in our business.

**Interest in the property of Our Company**

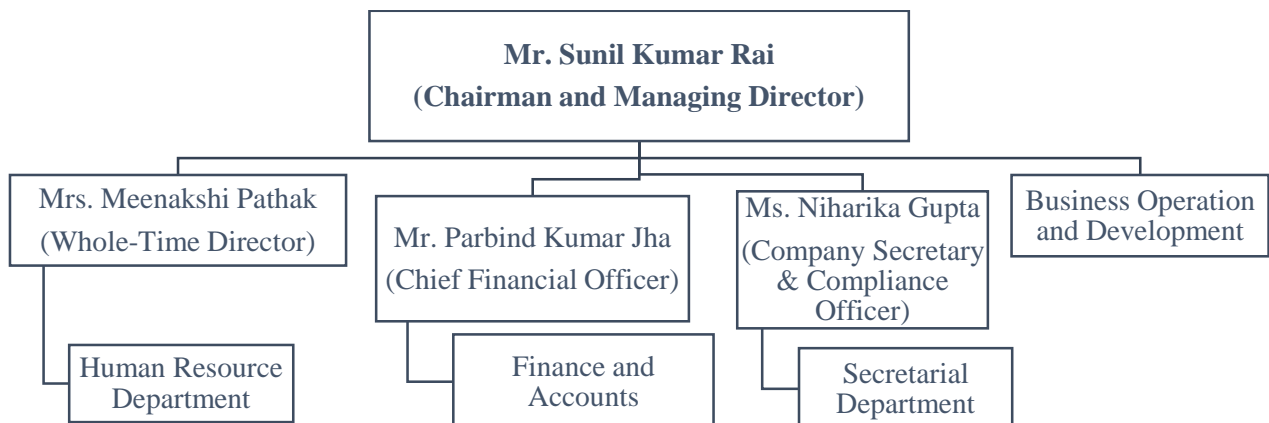
Except as disclosed above and in the chapters titled “Business Overview” and “Restated Financial Statement – Related Party Transactions” and “History and Corporate Structure” on page 88, 134 and 106 respectively of this Draft Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Draft Prospectus.

**CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS**

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Mr. Anil Khullar	Change in designation as Director w.e.f. September 07, 2019	Regularization of Director
2.	Mr. Sunil Kumar Rai	Appointed on Board as Additional Director w.e.f. February 25, 2021	To ensure better Corporate Governance
3.	Mr. Anil Khullar	Cessation w.e.f. March 16, 2021	Resignation due to personal reason
4.	Mrs. Anita Jha	Appointed on Board as Independent Director w.e.f. September 30, 2021	To ensure better Corporate Governance
5.	Mr. Sunil Kumar Rai	Re-designated as Chairman cum Managing Director w.e.f. April 11, 2022	To ensure better Corporate Governance
6.	Mrs. Meenakshi Pathak	Appointed on Board as Whole-Time Director w.e.f. April 11, 2022	To ensure better Corporate Governance
7.	Mr. Pramod Kumar Tiwari	Appointed on Board as Independent Director w.e.f. April 11, 2022.	To ensure better Corporate Governance

**MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure: -



## COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of NSE. The requirements pertaining to constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Five (5) directors of which two (2) are Independent Directors and one (1) is Non-Executive Director (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Our Company has constituted the following committees:

### 1. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated April 20, 2022, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of NSE, the constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Pramod Kumar Tiwari	Chairman	Independent Director
Mrs. Anita Jha	Member	Independent Director
Mr. Sunil Kumar Rai	Member	Chairman cum Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting.

**C. Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## 2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulations, 2015 as amended vide Resolution dated April 20, 2022 The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Pramod Kumar Tiwari	Chairman	Independent Director
Mrs. Anita Jha	Member	Independent Director
Mr. Sunil Kumar Rai	Member	Chairman cum Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
  - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
  - Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
  - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
  - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
  - Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
  - Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
  - Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

### 3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulations, 2015 as amended vide Resolution dated April 20, 2022. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Pramod Kumar Tiwari	Chairman	Independent Director
Mrs. Anita Jha	Member	Independent Director
Mr. Pankaj Rai	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B. Meetings:** The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.
- C. Role of Terms of Reference:**
- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
  - Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
  - Formulation of criteria for evaluation of performance of independent directors and the board of directors;
  - Devising a policy on diversity of board of directors;
  - Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;



- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- To formulate and administer the Employee Stock Option Scheme.

### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

### **POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS**

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME platform of NSE. The Board of Directors at their meeting held on April 20, 2022 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

### **Our Key Managerial Personnel**

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

<b>Name, Designation &amp; Educational Qualification</b>	<b>Age (Year)</b>	<b>Date of joining as KMP</b>	<b>Compensation paid for the F.Y ended 2021 (in Rs Lakhs)</b>	<b>Over all experience (in years)</b>	<b>Previous employment</b>
<b>Name: Mr. Sunil Kumar Rai</b> <b>Designation:</b> Chairman and Managing Director <b>Qualification:</b> Bachelor of Commerce	51	Chairman and Managing Director and w.e.f. April 11, 2022	Nil	27	Reliable Data Services Limited
<b>Name: Mrs. Meenakshi Pathak</b> <b>Designation:</b> Whole Time Director <b>Qualification:</b> Bachelor of Commerce	44	Appointed as Whole time Director w.e.f. April 11, 2022	Nil	12	Bhumika Arts Foundation
<b>Name: Mr. Parbind Kumar Jha</b> <b>Designation:</b> Chief Financial Officer <b>Qualification:</b> Bachelor of Commerce	52	Appointed on April 20, 2022	Nil	28	Reliable Data Services Limited
<b>Name: Ms. Niharika Gupta</b> <b>Designation:</b> Company Secretary & Compliance Officer <b>Qualification:</b> Company Secretary	28	Appointed on April 20, 2022	Nil	5	Reliable Data Services Limited

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

### 1. Mr. Sunil Kumar Rai, Chairman cum Managing Director, Age: 51 Years

Mr. Sunil Kumar Rai, 51 years is Chairman and Managing Director and also the Promoter of our Company. He holds a degree in Bachelor of Commerce from University of Allahabad and Intermediate passed from ICAI. He is designated as the Chairman and Managing Director of the Company on April 11, 2022 for a period of 5 years not liable to retire by rotation. He is having experience of 27 years in field of Business Processing Outsourcing. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

### 2. Mrs. Meenakshi Pathak, Whole-Time Director, Age: 44 Years

Mrs. Meenakshi Pathak, aged 44 years, is the Whole-Time Director and also the Promoter of our Company. She holds degree in Bachelor of Commerce. She was originally appointed on the Board on February 07, 2001 and further resigned from the Board w.e.f. August 14, 2012. Further she was appointed on Board as Whole-Time Director w.e.f. April 11, 2022 liable to retire by rotation. She has experience of 12 years in field of administration.

### 3. Mr. Parbind Kumar Jha, Chief Financial Officer, Age: 52 Years

Mr. Parbind Kumar Jha is Chief Financial Officer of our Company. He holds degree in Bachelor of Commerce. He has an overall experience of 28 years in Accounts and Finance. He looks after the Accounts and Financial matters of our Company.

### 4. Ms. Niharika Gupta, Company Secretary and Compliance Officer, Age: 28 Years

Ms. Niharika Gupta is Company Secretary and Compliance Officer of our Company. She is qualified Company Secretary from institute of Company Secretaries of India. She looks after the secretarial matters of our Company. She joined our Company on April 20, 2021. She has experience of 05 Years in secretarial work.

## RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the KMP of the Company are related to each other.

### We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak, are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended December 31, 2021.
- Except for the terms set forth in the appointment Letters the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Prospectus except as under:

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Sunil Kumar Rai	1,26,000	2.01%
2.	Mrs. Meenakshi Pathak	5,00,400	7.98%

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

### Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super annuations, ex-gratia/rewards.

### Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
1.	Mr. Sunil Kumar Rai	Chairman cum Managing Director	Re-designated as Chairman cum Managing Director in meeting held on April 11, 2022.	To ensure better Corporate Governance
2.	Mrs. Meenakshi Pathak	Whole-time Director	Appointed as Whole-time Director w.e.f. April 11, 2022	To ensure better Corporate Governance
3.	Mr. Parbind Kumar Jha	Chief Financial Officer	Appointed w.e.f. April 20, 2022	To ensure better Corporate Governance
4.	Ms. Niharika Gupta	Company Secretary and Compliance Officer	Appointed w.e.f. April 20, 2022	To ensure better Corporate Governance

### INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key managerial personal are interested in our Company.

Further our Key Managerial Personnel (KMP) are interested in the Company in the following manner:

Key Managerial Person (KMP)	Particulars
Mrs. Meenakshi Pathak	- Immediate Relative of Mrs. Meenakshi Pathak has provided the personal guarantee for Loan taken by our Company from HDFC Bank Limited of Rs. 200.00 Lakhs

Except as provided in this Draft Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to “Annexure J - Statement of Related Party Transaction” under chapter “Restated Financial Statement” on page 134 of this Draft Prospectus.

### **OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL**

Except as stated in this Draft Prospectus, there are no other benefits payable to our Key Managerial Personnel.

### **EMPLOYEES**

The details about our employees appear under the Paragraph titled —Human Resource in Chapter Titled — Business Overview beginning on page 88 of this Draft Prospectus.

## **OUR PROMOTERS & PROMOTER GROUP**

M/s. Reliable Data Services Limited, Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak are the Promoters of our Company.

As on the date of this Draft Prospectus, M/s. Reliable Data Services Limited, Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak are holding 62,69,400 Equity Shares which constitute 99.94% of the issued and paid-up Equity Share capital of our Company. Our Promoters and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

### **Details of our Promoters: -**

#### **CORPORATE PROMOTER:**

#### **M/s Reliable Data Services Limited (RDSL)**

##### *Corporate information and history*

RDSL was incorporated on March 22, 2001 as 'Reliable Data Services Private Limited', a public limited company under the provisions of the Companies Act, 1956 with the Registrar of Companies, N.C.T of Delhi and Haryana. Further, the Company was converted into Public Limited Company and consequently name of company was changed to "Reliable Data Services Limited". The registered office of company is located at GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India. The Equity Shares of RDSL are listed on NSE Emerge.

##### *Current nature of activities*

Established in 2001, RDSL is primarily engaged in providing customized services to various Banks, financial institutions and other manufacturing industries in the field of management services, transaction processing services, human resources services and other allied services.

##### *Details of Change in Control*

There has been no change in the control or management of Reliable Data Services Limited during last three years immediately preceding the filing of the Draft Prospectus.

##### *Details of Change in Activity*

RDSL has not changed its activities from the date of its incorporation.

##### *Board of directors*

The board of directors of RDSL comprises of the following persons:

1. Mr. Sanjay Kumar Pathak (Chairman & Managing Director)
2. Mr. Anil Kumar Jha (Whole-Time Director)
3. Mr. Rakesh Jha (Whole-Time Director)
4. Mr. Sandeep Kumar Jha (Whole-Time Director)
5. Mr. Sunil Kumar Rai (Whole-Time Director)
6. Mrs. Sudeshna Asis Chaudhury (Non-Executive Independent Director)
7. Mr. Ashwini Jha (Non-Executive Independent Director)
8. Mr. Pramod Kumar Tiwari (Non-Executive Independent Director)
9. Mrs. Anita Jha (Non-Executive Independent Director)
10. Mrs. Puja Kumari (Non-Executive Independent Director)

##### *Promoters*

The Promoters of Reliable Data Services Limited are Mr. Sanjay Kumar Pathak, Mr. Rakesh Jha, Mr. Sandeep Kumar Jha, Mr. Sunil Kumar Rai and Mr. Anil Kumar Jha.

Our Promoter Company confirms that the PAN, CIN (L72900DL2001PLC110145), bank account number of our Promoter and the details of the Registrar of Companies, Delhi, where our Promoter is registered will be submitted to the Stock Exchanges, at the time of filing of the Draft Prospectus with the Stock Exchanges.

Shareholding Pattern of RDSL as on March 31, 2022 is as follows:-

I – Summary of Shareholding Pattern:-

Category	Category of shareholder	Nos. of share holders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
								Class Equity Shares of	No of Voting Rights	Total			No. (a)	As a % of total Shares held (b)		
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII	XIV
(A)	Promoter & Promoter Group	10	74,06,400	-	-	74,06,400	71.77	74,06,400	74,06,400	71.77	-	71.77	-	-	-	74,06,400
(B)	Public	206	29,13,600	-	-	29,13,600	28.23	29,13,600	29,13,600	28.23	-	28.23	-	-	-	29,13,599
I	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>216</b>	<b>1,03,20,000</b>	<b>-</b>	<b>-</b>	<b>1,03,20,000</b>	<b>100.00</b>	<b>1,03,20,000</b>	<b>1,03,20,000</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,03,19,999</b>

**Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights					Total as a % of (A+B+C)	No.	As a % of total shares held	No.		As a % of total shares held
								Class eg: X	Class eg: Y	Total								
(1)	<b>Indian</b>																	
(a)	Individuals/Hindu undivided Family																	
1.	Mr. Sanjay Kumar Pathak	1	16,34,364	-	-	16,34,364	15.84	16,34,364	-	16,34,364	15.84	-	15.84	-	-	-	-	16,34,364
2.	Mr. Rakesh Jha	1	16,01,964	-	-	16,01,964	15.52	16,01,964	-	16,01,964	15.52	-	15.52	-	-	-	-	16,01,964
3.	Mr. Sunil Kumar Rai	1	14,29,164	-	-	14,29,164	13.85	14,29,164	-	14,29,164	13.85	-	13.85	-	-	-	-	14,29,164
4.	Mr. Sandeep Kumar Jha	1	13,49,964	-	-	13,49,964	13.08	13,49,964	-	13,49,964	13.08	-	13.08	-	-	-	-	13,49,964
5.	Mr. Anil Kumar Jha	1	11,84,400	-	-	11,84,400	11.48	11,84,400	-	11,84,400	11.48	-	11.48	-	-	-	-	11,84,400
6.	Mrs. Meenakshi Pathak	1	60,036	-	-	60,036	0.58	60,036	-	60,036	0.58	-	0.58	-	-	-	-	60,036
7.	Mrs. Anshu Jha	1	26,436	-	-	26,436	0.26	26,436	-	26,436	0.26	-	0.26	-	-	-	-	26,436
8.	Mrs. Meenu Rai	1	57,636	-	-	57,636	0.56	57,636	-	57,636	0.56	-	0.56	-	-	-	-	57,636
9.	Mrs. Srishti Jha	1	38,436	-	-	38,436	0.37	38,436	-	38,436	0.37	-	0.37	-	-	-	-	38,436
10.	Mr. Ravi Anand Jha	1	24,000	-	-	24,000	0.23	24,000		24,000	0.23	-	0.23	-	-	-	-	24,000
(b)	Central Government/	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	State Government(s)																	
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other – Body Corporate M/s Reliable Data Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>10</b>	<b>74,06,400</b>	<b>-</b>	<b>-</b>	<b>74,06,400</b>	<b>71.77</b>	<b>74,06,400</b>	<b>-</b>	<b>74,06,400</b>	<b>71.77</b>	<b>-</b>	<b>71.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74,06,400</b>
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoters and Promoters’ Group (A)=(A)(1)+(A)( 2)</b>	<b>10</b>	<b>74,06,400</b>	<b>-</b>	<b>-</b>	<b>74,06,400</b>	<b>71.77</b>	<b>74,06,400</b>	<b>-</b>	<b>74,06,400</b>	<b>71.77</b>	<b>-</b>	<b>71.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74,06,400</b>
<b>Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A</b>																		

**Table III - Statement showing shareholding pattern of the Public shareholder**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
								Class eg: X	Class eg: y	Total								
(1)	<b>Institutions</b>																	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/ State	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-





	Government(s)/ President of India																	
	<b>Sub-Total (B)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	<b>Non-institutions</b>																	
(a (i))	Individuals - i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	158	6,16,000	-	-	6,16,000	5.97	6,16,000	-	6,16,000	5.97	-	5.97	-	-	-	-	6,15,999
(a (ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	13	6,88,800	-	-	6,88,800	6.67	6,88,800	-	6,88,800	6.67	-	6.67	-	-	-	-	6,88,800
	Rohit Sharma	1	1,03,200			1,03,200	1.00	1,03,200		1,03,200	1.00	-	1.00	-	-	-	-	1,03,200
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Body Corporate</b>																	
	Saakshaat Infotech Private Limited	1	4,92,000	-	-	4,92,000	4.77	4,92,000	-	4,92,000	4.77	-	4.77	-	-	-	-	4,92,000
	Airan Limited	1	1,87,200	-	-	1,87,200	1.81	1,87,200	-	1,87,200	1.81	-	1.81	-	-	-	-	1,87,200
	Real Outsourcing Services Private Limited	1	4,58,400	-	-	4,58,400	4.44	4,58,400	-	4,58,400	4.44	-	4.44	-	-	-	-	4,58,400
	Cqub Infosystems Private Limited	1	1,08,000	-	-	1,08,000	1.05	1,08,000	-	1,08,000	1.05	-	1.05	-	-	-	-	1,08,000
	Loanacharya Consultants Private Limited	1	1,46,400	-	-	1,46,400	1.42	1,46,400	-	1,46,400	1.42	-	1.42	-	-	-	-	1,46,400
	<b>Clearing Member Firm</b>	1 4	26,400 24,000	- -	- -	26,400 24,000	0.26 0.23	26,400 24,000	- -	26,400 24,000	0.26 0.23	- -	0.26 0.23	- -	- -	- -	- -	26,400 24,000

<b>HUF</b>	19	76,800	-	-	76,800	0.74	76,800	-	76,800	0.74	-	0.74	-	-	-	-	76,800
<b>Sub-Total (B)(3)</b>	<b>206</b>	<b>29,13,600</b>	<b>-</b>	<b>-</b>	<b>29,13,600</b>	<b>28.23</b>	<b>29,13,600</b>	<b>-</b>	<b>29,13,600</b>	<b>28.23</b>	<b>-</b>	<b>28.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,13,600</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>206</b>	<b>29,13,600</b>	<b>-</b>	<b>-</b>	<b>29,13,600</b>	<b>28.23</b>	<b>29,13,600</b>	<b>-</b>	<b>29,13,600</b>	<b>28.23</b>	<b>-</b>	<b>28.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,13,600</b>
<b>Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): - N.A</b>																	
<b>Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.</b>																	

**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares under lying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
								Class eg: X	Class eg: y	Total								
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

**INDIVIDUAL PROMOTER- Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak**

	<b>Mr. Sunil Kumar Rai, Chairman eum Managing Director</b>	
	<b>Qualification</b>	Bachelor of Commerce and CA Intermediate
	<b>Date of Birth</b>	17/10/1970
	<b>Age</b>	51 Years
	<b>Address</b>	A-2 602, Plot No: 18, Sector 19a, Near Gurudwara Nerul East Navi Mumbai, Thane - 400706, Maharashtra India.
	<b>Experience</b>	27 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	ACQPR1035A
	<b>Passport Number</b>	Not Available
	<b>Driving License Number</b>	Not Available
	<b>No. of Equity Shares held in KDSBL[% of Shareholding (Pre Issue)]</b>	1,26,000 Equity Shares of ₹ 10 each; 2.01% of Pre- Issue Paid up capital
	<b>DIN</b>	01989744
	<b>Other Interests</b>	<b>Companies:</b> <ul style="list-style-type: none"> <li>➤ Reliable Data Services Limited</li> <li>➤ Bhumika Arts Foundation</li> </ul>
		<b>Mrs. Meenakshi Pathak, Whole-Time Director</b>
<b>Qualification</b>		Bachelor of Commerce
<b>Date of Birth</b>		16/06/1977
<b>Age</b>		44 Years
<b>Address</b>		B-669, MIG Flats, Near Siddharth International Public School, East of Loni Road, Mandoli. North East Delhi - 110093, Delhi, India.
<b>Experience</b>		12 Years
<b>Occupation</b>		Business
<b>Permanent Account Number</b>		AHBPP1179K
<b>Passport Number</b>		Not Available
<b>Driving License Number</b>		Not Available
<b>No. of Equity Shares held in KDSBL[% of Shareholding (Pre Issue)]</b>		5,00,400 Equity Shares of ₹ 10 each 7.98 % of Pre- Issue Paid up capital
<b>DIN</b>		02009605
<b>Other Interests</b>		<b>Companies:</b> <ul style="list-style-type: none"> <li>➤ Bhumika Arts Foundation</li> <li>➤ Bhumika Fashions Private Limited</li> <li>➤ Saaksshaat Infotech Private Limited</li> <li>➤ Loanacharya Consultants Private Limited</li> </ul> <b>HUF:</b> <ul style="list-style-type: none"> <li>➤ S K Pathak &amp; Sons HUF (Member)</li> </ul> <b>Partnership:</b> <ul style="list-style-type: none"> <li>➤ Bhumika Fashions</li> <li>➤ Bhumika Arts</li> </ul>

## **Declaration**

We confirm that the Permanent Account Number, Bank Account Number, Aadhar Card Number, Passport Number and Driving License of the Promoters which are available have been submitted to NSE at the time of filing of Draft Prospectus with them.

*Present Promoters of our Company are M/s Reliable Data Services Limited, Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak. Initial subscribers to the MoA of Our Company were Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak. For details of the shareholding acquired by the current promoter of our Company refer the capital buildup of our Promoter under chapter "Capital Structure" beginning on page 50 of this Draft Prospectus.*

## **Undertaking/ Confirmations**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.

There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled "Outstanding Litigations and Material Developments" beginning on page 175 of this Draft Prospectus.

None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the promoter group members nor our Group Company have been declared as a wilful defaulter or a fraudulent borrower by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

## **Common Pursuits/ Conflict of Interest**

Except as disclosed in this Draft Prospectus, none of the promoter group entities/ Group Companies are engaged in similar line of business as our Company as on date of this Draft Prospectus. For further details of our Group Companies refer to Section titled "Information with respect to Group Companies" on page 183 of this Draft Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

## **Interest in promotion of Our Company**

The Promoters are interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in "Financial information of our company" and "Our Management – Interest of Directors" and "Our Management – Interest of Key Managerial Personnel" on pages 134 & 110 of this Draft Prospectus, respectively.

## **Interest in the property of Our Company**

Except as mentioned in this Draft Prospectus, our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Prospectus or proposed to be acquired by us till date of filing the Prospectus with RoC.

## **Other Interest of Promoters**

Our Promoters M/s Reliable Data Services Limited, Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoter Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak who are also the Chairman cum Managing Director & Whole Time Director respectively of our Company may be deemed to be interested to the extent of their remuneration, as per the terms of their appointment and reimbursement of expenses payable to them. Our Promoters may also be deemed interested to the extent of any unsecured loan given/taken by them to/from our Company.

Further our Promoters are interested in the Company in the following manner:

<b>Promoter</b>	<b>Particulars</b>
Mrs. Meenakshi Pathak	- Immediate Relative of Mrs. Meenakshi Pathak has provided the personal guarantee for Loan taken by our Company from HDFC Bank Limited of Rs. 200.00 Lakhs
M/s Reliable Data Services Limited	- The registered office of our company has been taken on rent from M/s Reliable Data Services Limited on a monthly rent of Rs 10,000.

*For transaction in respect of loans and other monetary transaction entered in past please refer Annexure J on “Restated statement of Related Party Transactions” under chapter titled “Restated Financial Statements” on page 134 of this Draft Prospectus.*

Except as stated otherwise in this Draft Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus or proposes to enter into any such contract in which our Promoter are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

### **Experience of Promoters in the line of business**

Our Promoters Mr. Sunil Kumar Rai and Mrs. Meenakshi Pathak have experience of 27 years & 12 years respectively. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

### **Related Party Transactions**

For the transactions with our Promoter Group entities please refer to section titled “Annexure – J. Restated Statement of Related Party Transactions” under chapter titled “Restated Financial Statements” on page 134 of this Draft Prospectus.

Except as stated in “Annexure – J Restated Statement of Related Party Transactions” beginning under chapter titled “Restated Financial Statements” on page 134 of this Draft Prospectus., and as stated therein, our Promoters or any of the Promoter Group do not have any other interest in our business.

### **Payment or Benefit to Promoters of Our Company**

For details of payments or benefits paid to our Promoters, please refer to the chapter titled “Our Management” beginning on page 110 of this Draft Prospectus. Also refer Annexure J on “Restated Statement of Related Party Transactions” under chapter titled “Restated Financial Statements” on page 134 of this Draft Prospectus.

### **Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years**

Our Promoters has not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Draft Prospectus.

### **Other ventures of our Promoters**

Save and except as disclosed in this section titled “Our Promoters and Promoter Group” and “Information with respect of Group Companies” beginning on page 121 & 183 respectively of this Draft Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Draft Prospectus.

### **Litigation details pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “Outstanding Litigations and Material Developments” beginning on page 175 of this Draft Prospectus.

## OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

### 1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	Sunil Kumar Rai	Meenakshi Pathak
Father	Late Mahendra Rai	Mr. Shrawan Kumar Mishra
Mother	Late Kaushilya Rai	Mrs Bhuvneshwari Devi
Spouse	Mrs. Meenu Rai	Mr. Sanjay Kumar Pathak
Brother	Mr. Shashi Kant Rai	Mr. Dilip Kumar Mishra
	Mr. Krishna Kant Rai	Mr. Rajesh Kumar Mishra
	Mr. Ravi Kant Rai	
Sister	-	Mrs. Bharati Ranjan
Son	Mr. Utkarsh Rai	Master Kandarp
Daughter	Ms. Khushi Rai	Ms. Katyayani
Spouse's Father	Mr. Kamala Kant Rai	Late Tej Narayan Pathak
Spouse's Mother	Mrs. Pratima Rai	Mrs. Sushila Pathak
Spouse's Brother	Mr. Rajnish Rai	Mr. Vinay Kumar Pathak
	Mr. Gaurav Rai	Mr. Ajay Kumar Pathak
Spouse's Sister	-	Mrs. Mithilesh Thakur
		Late Renu Jha
		Mrs. Bibha Mishra

### 2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

- Bhumika Arts Foundation
- Bhumika Fashions Private Limited
- Saaksshaat Infotech Private Limited
- Loanacharya Consultants Private Limited
- S K Pathak & Sons HUF
- Bhumika Fashions
- Bhumika Arts
- Reliable Agri Projects Private limited
- Factoring Management Services India Private Limited
- Authentic Developers Private Limited
- Ascent Keyboardlabs Technologies Private Limited
- Authentic Healthcare Services Private Limited
- Sharp Eagle Investigation Private Limited
- Vibrant Educare Private Limited
- RDS Allied Services Private Limited
- Sanjay K Pathak & Associates
- Sunil Kumar Rai HUF

## **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in last five years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.



**SECTION IX - FINANCIAL INFORMATION OF OUR COMPANY**

**RESTATED FINANCIAL STATEMENTS**

**INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION**

**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)**

**To,  
The Board of Directors,  
Kandarp Digi Smart BPO Limited**

Dear Sir,

We have examined the attached Restated Audited Financial Information of Kandarp Digi Smart BPO Limited comprising the Restated Audited Statement of Assets and Liabilities as at December 31, 2021, March 31, 2021, & March 31, 2020 & March 31, 2019 the Restated Audited Statement of Profit & Loss, the Restated Audited Cash Flow Statement for stub period ended on December 31, 2021, and for the financial year ended March 31, 2021, March 31, 2020 & March 31, 2019, the Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Information) as approved by the Board of Directors in their meeting held on June 01, 2022 for the purpose of inclusion in the Offer Document, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) and prepared in terms of the requirement of:-

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") as amended (ICDR Regulations"); and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI");
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note").

The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Delhi in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company for the stub period ended on December 31, 2021 on the basis of preparation stated in ANNEXURE – D to the Restated Financial Information. The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated May 05, 2022 in connection with the proposed IPO of equity shares of the Company;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and ,
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

These Restated Financial Information have been compiled by the management from:

- a) Audited financial statements of company as at and for the period ended stub period ended on December 31, 2021 and for the financial year ended March 31, 2021, March 31, 2020 & March 31, 2019 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India.

For the purpose of our examination, we have relied on:

a) Auditors' Report issued by the Previous Auditor i.e. M/s B Manna & Company dated March 21, 2022 for the stub period ended on December 31, 2021 & dated June 30, 2021, June 29, 2020 & May 29, 2019 for the Financial year ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 & 31<sup>st</sup> March 2019 respectively.

b) The audit were conducted by the Company's previous statutory auditor, and accordingly reliance has been placed on the statement of assets and liabilities and statements of profit and loss, the Significant Accounting Policies, and other explanatory information and (collectively, the Audited Financial Statement") examined by them for the said years.

The modification in restated financials were carried out based on the modified reports, if any, issued by Previous auditor which is giving rise to modifications on the financial statements as at and for the years ended December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019. There is no qualification of previous auditor for the Financial Statement of December 31, 2021, March 31, 2021, 2020 and, 2019.

The audit reports on the financial statements were modified and included following matter(s) giving rise to modifications on the financial statements as at and for the period ended on December 31, 2021, March 31, 2021, 2020 & 2019.:-

- a) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- b) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;
- c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
- d) There were no qualifications in the Audit Reports issued by B Manna & Company for the stub Period Ended on December 31, 2021 and for the Financial Year Ended March 31, 2021, 2020 and 2019 which would require adjustments in this Restated Financial Statements of the Company;
- e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in ANNEXURE – D to this report;
- f) Adjustments in Restated Financial Information or Restated Summary Financial Statement have been made in accordance with the correct accounting policies,
- g) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Information or Restated Summary Financial Statement;
- h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement.
- i) The related party transaction for purchase & sales of services entered by the company are at arm's length.
- j) The Company has not paid any dividend since its incorporation.

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- a) The "Restated Statement of Assets and Liabilities" as set out in ANNEXURE – A to this report, of the Company as at Stub Period Ended on December 31, 2021 & Financial Year Ended March 31, 2021, 2020 and 2019 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D to this Report.
- b) The "Restated Statement of Profit and Loss" as set out in ANNEXURE – B to this report, of the Company for Stub Period Ended on December 31, 2021 & Financial Year Ended March 31, 2021, 2020 and 2019 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after

making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D to this Report.

- c) The “Restated Statement of Cash Flow” as set out in ANNEXURE – C to this report, of the Company Stub Period Ended on December 31, 2021 & Financial Year Ended March 31, 2021, 2020 and 2019 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D to this Report.

Audit for the Stub Period ended on December 31, 2021 financial year ended on March 31, 2021, 2020 & 2019 was conducted by M/s B Manna Company & Accordingly reliance has been placed on the financial statement examined by them for the said years. Financial Reports included for said years are solely based on report submitted by them.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the Stub Period Ended on December 31, 2021 & Financial Year Ended March 31, 2021, 2020 and 2019 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”) for the proposed IPO.

Restated Statement of Share Capital, Reserves And Surplus	Annexure – A.1 & Annexure – A.2
Restated Statement of Long Term Borrowing	Annexure – A.3
Restated Statement of Long Term Provisions	Annexure – A.4
Restated Statement of Short Term Borrowing	Annexure – A.5
Restated Statement of Trade Payables	Annexure – A.6
Restated Statement of Other Current Liabilities And Short Term Provisions	Annexure – A.7 & Annexure – A.8
Restated Statement of Fixed Assets	Annexure – A.9
Restated Statement of Deferred Tax Assets(Liabilities)	Annexure – A.10
Restated Statement of Long Term Loans & Advances	Annexure – A.11
Restated Statement of Trade Receivables	Annexure – A.12
Restated Statement of Cash & Cash Equivalents	Annexure – A.13
Restated Statement of Short Term Loans & Advances	Annexure – A.14
Restated Statement of Other Current Assets	Annexure – A.15
Restated Statement of Revenue from Operations	Annexure – B.1
Restated Statement of Other Income	Annexure – B.2
Restated Statement of Employee Benefit Expenses	Annexure - B.3
Restated Statement of Finance Cost	Annexure - B.4
Restated Statement of Depreciation & Amortisation	Annexure - B.5
Restated Statement of Other Expenses	Annexure – B.6
Restated Statement of Deferred Tax Asset / Liabilities	Annexure – B.7
Material Adjustment to the Restated Financial	Annexure – E
Restated Statement of Tax shelter	Annexure – F
Restated Statement of Capitalization	Annexure – G
Restated Statement of Contingent Liabilities	Annexure – H
Restated Statement of Accounting Ratios	Annexure – I
Restated statement of related party transaction	Annexure – J

In our opinion and to the best of information and explanation provided to us, the Restated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE – D are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, M/s. A Y & Company, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above financial information contained in ANNEXURE – A to J of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

**For, M/s A Y & CO.**  
**Chartered Accountants**  
**Firm Registration Number: - 020829C**  
**Peer Review No. –013225**

**CA Arpit Gupta**  
**(Partner)**  
**Membership No.421544**  
**UDIN - 22421544ALJDDN9350**

**Date: 01.06.2022**  
**Place: Delhi**

**ANNEXURE – A : RESTATED STATEMENT OF ASSETS AND LIABILITIES**

**(Rs. in Lakhs)**

Sr. No.	Particulars	Note No.	As at December 31, 2021	As at 31st March		
				2021	2020	2019
<b>A.</b>	<b>Equity and Liabilities</b>					
<b>1</b>	<b>Shareholders' Funds</b>					
	Share Capital	<b>A.1</b>	69.70	69.70	69.70	69.70
	Reserves & Surplus	<b>A.2</b>	702.83	630.88	620.32	508.78
	<b>Share application money pending allotment</b>		-	-	-	-
<b>2</b>	<b>Non-Current Liabilities</b>					
	Long-Term Borrowings	<b>A.3</b>	18.76	0.66	12.25	22.69
	Other Non-Current Liabilities					-
	Long-Term Provisions	<b>A.4</b>	17.53	17.53	13.98	15.61
	Deferred Tax Liabilities (Net)		-	-	-	-
<b>3</b>	<b>Current Liabilities</b>					
	Short Term Borrowings	<b>A.5</b>	264.91	292.08	160.82	97.85
	Trade Payables :	<b>A.6</b>				
	(A) total outstanding dues of micro enterprises and small enterprises; and		-	-	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.".]	<b>A.6</b>	661.77	639.20	196.99	86.73
	Other Current Liabilities	<b>A.7</b>	49.53	60.51	76.92	73.26
	Short Term Provisions	<b>A.8</b>	31.22	9.08	40.17	53.54
	<b>Total</b>		<b>1,816.25</b>	<b>1,719.64</b>	<b>1,191.15</b>	<b>928.15</b>
<b>B.</b>	<b>Assets</b>					
<b>1</b>	<b>Non-Current Assets</b>					
	Property, Plant and Equipment					
	Tangible Assets	<b>A.9</b>	6.74	15.28	23.25	43.73
	Intangible Assets	<b>A.9</b>	-	-	-	-
	Intangible Assets Under Development	<b>A.9</b>	699.62	699.62	417.56	275.66
	Non-Current Investments		-	-	-	-
	Deferred Tax Assets	<b>A.10</b>	9.71	8.98	8.12	6.35
	Long Term Loans & Advances	-				
	Other Non Current Assets	<b>A.11</b>	7.24	7.24	9.24	7.14
<b>2</b>	<b>Current Assets</b>					
	Current Investments		-	-	-	-
	Inventories		-	-	-	-
	Trade Receivables	<b>A.12</b>	937.35	828.59	547.31	371.55
	Cash and Cash Equivalents	<b>A.13</b>	9.76	14.78	26.78	69.75
	Short-Term Loans and Advances	<b>A.14</b>	58.49	77.85	46.71	11.12
	Other Current Assets	<b>A.15</b>	87.34	67.28	112.18	142.86
	<b>Total</b>		<b>1816.25</b>	<b>1719.64</b>	<b>1191.15</b>	<b>928.15</b>

Note: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,B & C

**ANNEXURE – B : RESTATED STATEMENT OF PROFIT AND LOSS**

**(Rs. in Lakhs)**

Sr. No	Particulars	Note No.	For the period ended	For The Year Ended 31st March		
			December 31	2021	2020	2019
<b>A.</b>	<b>Revenue:</b>					
	Revenue from Operations	<b>B.1</b>	899.25	1041.19	999.73	1103.85
	Other income	<b>B.2</b>	0.04	12.36	12.86	2.81
	<b>Total revenue</b>		<b>899.28</b>	<b>1053.55</b>	<b>1012.59</b>	<b>1106.67</b>
<b>B.</b>	<b>Expenses:</b>					
	Cost of Material Consumed		0.00	0.00	0.00	0.00
	Change in Inventories of WIP, Finished Goods & Stock in Trade		0.00	-	-	-
	Employees Benefit Expenses	<b>B.3</b>	127.05	192.40	249.59	301.76
	Finance costs	<b>B.4</b>	15.48	23.83	26.49	23.54
	Depreciation and Amortization	<b>B.5</b>	8.54	9.03	22.61	12.95
	Other expenses	<b>B.6</b>	651.20	812.94	563.17	571.43
	<b>Total Expenses</b>		<b>802.27</b>	<b>1038.20</b>	<b>861.86</b>	<b>909.68</b>
	<b>Profit before exceptional and extraordinary items and tax</b>		<b>97.01</b>	<b>15.35</b>	<b>150.73</b>	<b>196.99</b>
	Exceptional Items		-	-	-	-
	<b>Profit before extraordinary items and tax</b>		<b>97.01</b>	<b>15.35</b>	<b>150.73</b>	<b>196.99</b>
	Extraordinary items		-	-	-	-
	<b>Profit before tax</b>		<b>97.01</b>	<b>15.35</b>	<b>150.73</b>	<b>196.99</b>
	<b>Tax expense :</b>					
	Current tax		26.51	5.66	40.96	52.66
	Deferred Tax	<b>B.7</b>	(0.73)	(0.87)	(1.77)	(3.76)
	Profit (Loss) for the period from continuing operations		<b>71.23</b>	<b>10.56</b>	<b>111.54</b>	<b>148.09</b>
	<b>Earning per equity share in Rs.:</b>					
	(1) Basic		1.14	0.17	1.78	2.36
	(2) Diluted		1.14	0.17	1.78	2.36

Note : The above statements should be read with the significant accounting policies and notes to restated summary, Statement of Balance Sheet and cash flows appearing in Annexure D,A&C

**ANNEXURE – C: RESTATED STATEMENT OF CASH FLOWS**
**(Rs. in Lakhs)**

Particulars	For the period ended 31st December	For The Year Ended 31st March		
	2021	2021	2020	2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit/ (Loss) before tax	<b>97.01</b>	<b>15.35</b>	<b>150.73</b>	<b>196.99</b>
Adjustments for:				
Depreciation	8.54	9.03	22.61	12.95
Finance Cost	15.48	23.83	26.49	23.54
Adjustment on Account of Prior Period Items	0.72	-	-	(4.62)
Interest Income	(0.04)	(4.35)	(12.86)	(2.81)
<b>Operating profit before working capital changes</b>	<b>121.71</b>	<b>43.86</b>	<b>186.97</b>	<b>226.05</b>
Movements in working capital :				
(Increase)/Decrease in Inventories	-	-	-	-
(Increase)/Decrease in Trade Receivables	(108.76)	(281.28)	(175.76)	12.50
(Increase)/Decrease in Loans & Advances	19.36	(31.14)	(35.59)	112.27
(Increase)/Decrease in Other Current Assets	(20.06)	44.90	30.39	(135.06)
Increase/(Decrease) in Trade Payables	22.58	442.21	110.26	26.88
Increase/(Decrease) in Other Current Liabilities	(10.98)	(16.41)	3.66	(92.85)
<b>Cash generated from operations</b>	<b>23.85</b>	<b>202.13</b>	<b>120.21</b>	<b>149.80</b>
Income tax paid during the year	4.37	37.38	56.53	61.00
<b>Net cash from operating activities (A)</b>	<b>19.48</b>	<b>164.75</b>	<b>63.68</b>	<b>88.79</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale/(Purchase) of Investments	-	-	-	
Interest Income	0.04	4.35	12.86	2.81
Increase/(Decrease) in Provision for Gratuity	-	4.19	0.57	9.94
Purchase of Fixed Assets	-	(283.12)	(144.03)	(141.22)
Increase in Other Non Current Assets	-	2.00	(2.10)	(7.14)
<b>Net cash from investing activities (B)</b>	<b>0.04</b>	<b>(272.58)</b>	<b>(132.69)</b>	<b>(135.61)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest paid on borrowings	(15.48)	(23.83)	(26.49)	(23.54)
Proceeds/(Repayment) of Borrowings	(9.07)	119.67	52.53	90.68
<b>Net cash from financing activities (C)</b>	<b>(24.54)</b>	<b>95.84</b>	<b>26.04</b>	<b>67.13</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(5.02)</b>	<b>(11.99)</b>	<b>(42.97)</b>	<b>20.31</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>14.78</b>	<b>26.78</b>	<b>69.75</b>	<b>49.44</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>9.76</b>	<b>14.78</b>	<b>26.78</b>	<b>69.75</b>
<b>Cash &amp; Cash Equivalent Comprises</b>				
Cash in Hand	2.30	3.05	2.52	3.87
Balance With Bank in Current Accounts	0.48	5.06	24.26	12.07
Balance with Bank in Deposits Accounts	6.97	6.67	0.00	53.81

Note: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and Statement of Balance Sheet appearing in Annexure C, A & B.

## ANNEXURE – D

### SUMMARY SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS AS RESTATED

#### A. COMPANY INFORMATION

Our Company was originally incorporated on February 07, 2001 as “Dynamic Restructuring Management Services Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, N.C.T of Delhi & Haryana. The name of our company was changed from “Dynamic Restructuring Management Services Private Limited” to “Kandarp Management Services Private Limited” and fresh certificate of incorporation dated March 23, 2010 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further the name of our company was changed from “Kandarp Management Services Private Limited” to “Kandarp Digi Smart BPO Private Limited” and fresh certificate of incorporation dated December 09, 2021 was issued by Registrar of Companies, Delhi. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Kandarp Digi Smart BPO Private Limited” to “Kandarp Digi Smart BPO Limited” vide fresh certificate of incorporation dated March 22, 2022 issued by the Registrar of Companies, Delhi.

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1. Accounting Convention

The financial statements are prepared under the historical cost convention on the “Accrual Concept” and Going Concern assumption of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

##### 2. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

##### 3. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective t on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as “Capital Work in Progress.”

##### 4. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.



## **5. Depreciation**

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition /deletion as the case may be.

## **6. Investments**

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

## **7. Inventories**

The companies is the business of providing Services, so that there are no inventories held during the reporting periods.

## **8. Revenue Recognition**

Revenue from the operations is recognized on generally accepted accounting principal and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

## **9. Borrowing Cost**

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

## **10. Employee Benefits**

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

Post-employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

## **11. Taxes on Income**

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

## **12. Foreign Currency Translation**

- a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate..
- b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

### 13. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

#### B. NOTES ON ACCOUNTS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

#### 2. Segment Reporting

The Company at present is engaged in the Business Process Outsourcing which constitutes a single business segment. In view of above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS -17 are not applicable to the Company.

#### 3. Post-Employment Benefits:

Provision is made for gratuity (unfunded) based upon actuarial valuation done at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

(Amount in Lakhs)

I. ASSUMPTIONS	For the Year Ended on March 31, 2021	For the Year Ended on March 31, 2020	For the Year Ended on March 31, 2019
Discount Rate	6.65	6.23	7.70%
Expected Rate of Salary Increase	8.00%	8.00%	8.00%
Withdrawal Rate	8.00%	8.00%	8.00%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2006-08
Retirement	60 Years	60 Years	60 Years
II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS	For the Year Ended on March 31, 2021	For the Year Ended on March 31, 2020	For the Year Ended on March 31, 2019
Defined Benefit Obligation at beginning of the year	<b>17.06</b>	<b>16.49</b>	<b>9.27</b>
Current Service Cost	3.96	3.15	4.84
Interest cost	1.06	1.27	0.72
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.83)	(3.85)	1.66
Defined Benefit Obligation as at end of the year	<b>21.25</b>	<b>17.06</b>	<b>16.49</b>
III. AMOUNT RECOGNIZED IN THE BALANCE SHEET:	For the Year Ended on March 31, 2021	For the Year Ended on March 31, 2020	For the Year Ended on March 31, 2019
Net liability as at beginning of the year	<b>17.06</b>	<b>16.49</b>	<b>9.27</b>
Net expense recognized in the Statement of Profit and Loss	3.74	0.13	6.94
Expected Return on Plan Assets	0.45	0.44	0.28
Net liability as at end of the year	<b>21.25</b>	<b>17.06</b>	<b>16.49</b>
IV. EXPENSE RECOGNIZED:	For the Year Ended on March 31, 2021	For the Year Ended on March 31, 2020	For the Year Ended on March 31, 2019
Current Service Cost	<b>3.96</b>	<b>3.15</b>	<b>4.84</b>
Interest Cost	1.06	1.27	0.72
Return on Plan Assets	(0.45)	(0.44)	(0.28)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.83)	(3.85)	1.66
Expense charged to the Statement of Profit and Loss	<b>3.74</b>	<b>0.13</b>	<b>6.94</b>

<b>V. BALANCE SHEET RECONCILIATION:</b>	<b>For the Year Ended on March 31, 2021</b>	<b>For the Year Ended on March 31, 2020</b>	<b>For the Year Ended on March 31, 2019</b>
Opening net liability	<b>17.06</b>	<b>16.49</b>	<b>6.55</b>
Expense as above	3.74	0.13	6.94
Provision Related to Previous Year booked as Prior Period Items	-	-	2.72
Return on Plan Assets	0.45	0.44	0.28
Benefits Paid	-	-	-
Net liability/(asset) recognized in the balance sheet	<b>21.25</b>	<b>17.06</b>	<b>16.49</b>

Gratuity Valuation as certified by the Actuary has considered the Expected Return on plan assets whereas at the time of Restatements of financials, Actual Return on plan assets has been considered in making provision for gratuity expenses year on year, so there is some difference in Gratuity Expenses booked in Restated Statement of Profit & Loss as compare to Actuarial Valuation Report issued in this behalf.

Further Gratuity Valuation as on 31.12.2021 has not been done by the company.

#### 4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on December 31, 2021, March 31, 2021, 2020 & 2019 except as mentioned in Annexure-H, for any of the years covered by the statements.

#### 5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – J of the enclosed financial statements.

#### 6. Accounting For Deferred Taxes on Income (AS 22)

(Rs. In Lakhs)

Particulars	For The Period ended on December 31, 2021	As at 31st March		
		2021	2020	2019
WDV as per Companies Act, 2013 (A)	6.74	15.28	23.25	43.73
WDV as per Income tax Act, 1961 (B)	24.08	29.73	38.45	52.47
Difference in WDV (A-B)	(17.34)	(14.45)	(15.20)	(8.74)
Provision for Gratuity Disallowed	(21.25)	(21.25)	(17.06)	(16.49)
Total Timing Difference	(38.59)	(35.69)	(32.25)	(25.23)
Deferred Tax (Asset)/ Liability (C)	(9.71)	(8.98)	(8.12)	(6.35)
Restated Closing Balance of Deferred Tax (Asset)/ Liability	(9.71)	(8.98)	(8.12)	(6.35)
Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year	(8.98)	(8.12)	(6.35)	(2.59)
Deferred Tax (Assets)/ Liability charged to Profit & Loss	(0.73)	(0.87)	(1.77)	(3.76)

#### 7. MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT

##### 1. Material Regrouping:

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

##### 2. Material Adjustments:

The Summary of results of restatement made in the Audited Financial Statements for the respective period/years and its impact on the profit/ (loss) of the Company is as follows:

(Rs. In Lakhs)

Particulars	For The Period Ended December 31	For The Year Ended March 31,		
	2021	2021	2020	2019
<b>(A) Net Profits as per audited financial statements (A)</b>	74.68	9.84	109.43	143.00
<b>Add/(Less): Adjustments on account of -</b>				
1) Prior Period Items transfer to Related Financial Year	1.56	2.38	2.60	1.91
2) Provision for Outstanding Expenses	(1.17)	(1.56)	(2.38)	(2.60)
3) Adjustment for Prepaid Expenses	0.19	0.46	0.19	-
4) Prepaid Expenses Transferred from Previous Period	(0.46)	(0.19)	-	-
5) Difference on Account of Calculation in Provision for Income Tax	(0.01)	(1.77)	(3.10)	3.88
6) Difference on Account of Calculation in Deferred Tax	1.48	1.39	0.09	3.91
7) Changes in the Provision for Gratuity Expenses	(5.03)	-	4.71	(2.00)
<b>Total Adjustments (B)</b>	<b>(3.44)</b>	<b>0.71</b>	<b>2.11</b>	<b>5.09</b>
<b>Restated Profit/ (Loss) (A+B)</b>	<b>71.23</b>	<b>10.56</b>	<b>111.54</b>	<b>148.09</b>

### 3. Notes on Material Adjustments pertaining to prior years

**(1) Prior Period Items transfer to Related Financial Year:**

Expenses related to Previous Financial Year are Transferred to that particular year.

**(2) Provision for Outstanding Expenses**

Provision is made for expenses related to particular period & their corresponding impact is given in next year.

**(3) Adjustment of Prepaid Expenses**

Prepaid Expenses are transferred to Next Financial year to which they actually relate.

**(4) Difference on Account of Calculation in Deferred Tax**

Deferred tax is calculated on the difference of WDV as per Companies Act & income tax Act in Restated financials but in Audited financials the same has been calculated between difference of Depreciation. Further Deferred Tax has been calculated on Timing difference arises due to Provision for Gratuity which was not considered in Audited Financial Statements.

**(5) Change in Provision for Current Tax**

Since the Restated profit has been changed so that the Provision for current tax is also got changed.

**(6) Change in Provision for Gratuity Expenses**

Expected Return on plan assets has been considered in Gratuity Valuation as certified by the Actuary whereas at the time of Restatements of financials, Actual Return on plan assets has been considered in making provision for gratuity expenses year on year, so there is some difference in Gratuity Expenses booked in Restated Statement of Profit & Loss as compare to Actuarial Valuation Report issued in this behalf.

### Reconciliation Statement between Restated Reserve & Surplus affecting Equity due to Adjustment made in Restated Financial Statements:

(Rs. In Lakhs)

Particulars	For The Period Ended December 31	For The Year Ended March 31,		
	2021	2021	2020	2019
<b>Equity Share Capital &amp; Reserves &amp; Surplus as per Audited financial Statement</b>	772.67	697.28	687.44	578.01

Add/(Less) : Adjustments on account of change in Profit/Loss	4.47	7.91	7.20	5.09
Add/(Less) : Adjustments on account of Prior Period Items in Reserves & Surplus	(4.62)	(4.62)	(4.62)	(4.62)
Total Adjustments (B)	<b>(0.15)</b>	<b>3.30</b>	<b>2.58</b>	<b>0.47</b>
<b>Equity Share Capital &amp; Reserves &amp; Surplus as per Restated Financial Statement</b>	772.53	700.58	690.02	578.48

8. Trade Payable Ageing Summary  
31.12.2021

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	591.67	70.10	-	-	661.77
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

31.03.2021

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	406.69	232.51	-	-	639.20
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

31.03.2020

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	180.24	16.75	-	-	196.99
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

31.03.2019

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	86.73	-	-	-	86.73
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

9. Trade Receivable Ageing Summary

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>31.12.2021</b>						
(i) Undisputed Trade Receivable – considered good	645.62	201.91	3.01	0.24	--	850.78
(ii) Undisputed Trade Receivable – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable – considered doubtful	-	-	-	-	86.57	86.57
<b>31.03.2021</b>						
(i) Undisputed Trade Receivable – considered good	485.70	116.55	48.23	86.13	--	736.61
(ii) Undisputed Trade Receivable – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable – considered doubtful	-	-	-	-	91.98	91.98
<b>31.03.2020</b>						
(i) Undisputed Trade Receivable – considered good	387.61	48.66	5.98	6.39	1.28	449.92
(ii) Undisputed Trade Receivable – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable – considered doubtful	-	-	-	-	97.39	97.39
<b>31.03.2019</b>						
(i) Undisputed Trade Receivable – considered good	232.07	17.12	11.89	2.77	4.90	268.75
(ii) Undisputed Trade Receivable – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable – considered doubtful	-	-	-	-	102.80	102.80

10. Intangible Assets under Development Ageing Summary:

31.12.2021

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Project in Progress	-	282.07	141.90	275.65	699.62
(ii) Project temporarily Suspended	-	-	-	-	-

31.03.2021

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Project in Progress	282.07	141.90	107.04	168.61	699.62
(ii) Project temporarily Suspended	-	-	-	-	-

31.03.2020

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Project in Progress	141.90	107.04	96.00	72.61	417.55
(ii) Project temporarily Suspended	-	-	-	-	-

31.03.2019

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Project in Progress	107.04	96.00	72.61	-	275.65
(ii) Project temporarily Suspended	-	-	-	-	-

11. Restated Statement of Accounting Ratios:

S. No.	Particular	Numerator	December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019	Reason for Movements
		Denominator					
(a)	Current Ratio	Current Assets	1.08	0.99	1.54	1.91	Current Ratio is decreased year on year due to increased Short Term Loans & Advances & Other Current Assets.
		Current Liabilities					
(b)	Debt-Equity Ratio	Debt	0.37	0.42	0.25	0.21	Reason for Movements is not Required since Movement is not more than 25% in F.Y. 2019-20. Further Debt Equity Ratio is increased in March 2021 due to Increased Debt Obligations. Reason for Movements for December 31, 2021 is not required since movements is not more than 25%
		Equity					
(c)	Debt Service Coverage Ratio	Net Operating Income	4.98	-	-	-	During the year ended from 2019 to 2021, the debts of the company has been increased so there is no debt service. Further
		Total Debt Service					

							DSCR in the Stub Period December 31, 2021 has increased due to repayment of Debt
(d)	Return on Equity Ratio	Profit After Tax	9.67%	1.52%	17.59%	29.22%	Return on Equity has decreased year on year basis due to decreased in Net Profit After Tax from F.Y. 2019 to 2021. Further the same has been increased significantly due to higher Profit After tax as compare to previous year
		Average Shareholders Equity					
(e)	Trade Receivables turnover ratio (in times)	Net Credit Sales	1.02	1.51	2.18	2.92	The Trade Receivable Turnover Ratio has decreased year on year basis due to decreased Turnover
		Average Trade Receivables					
(f)	Net capital turnover ratio (in times)	Turnover	10.52	(84.17)	3.87	3.89	In the Year 2021, Net Capital Turnover Ratio Declined due to Decreased net working capital In the stub period December 31, 2021 the same been increased due to increase in net working capital.
		Net Working Capital					
(g)	Net profit ratio	Profit After Tax	7.92%	1.01%	11.16%	13.42%	Net Profit Ratio is decreased significantly because sales are decreased & other fixed overheads are not decreased in that proportion for the year ended on March 31, 2021. Further in the stub period ended on December 31, 2021 the same has been increased due to higher profit as compare to preceding financial year
		Total Sales					
(h)	Return on Capital employed	Operating Profit	15.07%	5.58%	27.19%	40.29%	Return on Capital Employed is decreased significantly
		Total Capital Employed					



							because sales is decreased & other fixed overheads are not decreased in that proportion. Further in the stub period ended on December 31, 2021 the same has been increased due to higher profit as compare to preceding financial year
(i)	Return on investment.	$\frac{\text{Profit After Tax}}{\text{Initial Value of Investments}}$	10.17%	1.53%	19.28%	34.04%	Return on Investment in decreased significantly due to lower profit after tax. Further in the stub period ended on December 31, 2021 the same has been increased due to higher profit as compare to preceding financial year.
(J)	Interest Service Coverage Ratio	$\frac{\text{EBITDA}}{\text{Total Interest Service}}$	795.35%	207.46%	772.92%	1006.07%	Interest Service Coverage Ratio is decreased significantly due to lower EBITDA during the year from 2019-2021. Further the same has been increased in the stub period ended on December 31, 2021 due to higher EBITDA

**ANNEXURE - A.1 Restated Statement of Share Capital**

(Rs. In Lakhs)

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
<b>Equity Share Capital</b>				
<b>Authorised Share Capital</b>				
10,00,000 Equity Shares of Rs. 10 Each	100.00	100.00	100.00	100.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>Issued, Subscribed &amp; Fully Paid Up Share Capital</b>				
6,97,000 Equity Shares of Rs. 10 Each	69.70	69.70	69.70	69.70
<b>Total</b>	<b>69.70</b>	<b>69.70</b>	<b>69.70</b>	<b>69.70</b>

**Notes:**

**A.1.1** The Company has raised its Equity Share Capital from 6,97,000 Equity Shares to 62,73,000 Lakhs by way of Bonus issue in the ratio of 8:1 of 55,76,000 Equity shares of Face Value of Rs. 10 Each on January 31, 2022.

**A.1.2** Right, Preferences and Restrictions attached to Shares:

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

**A.1.3**

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	697,000	697,000	697,000	697,000
Shares issued during the year	-	-		
Share outstanding at the end of the year	<b>697,000</b>	<b>697,000</b>	<b>697,000</b>	<b>697,000</b>

**A.1.4** Details of Shareholding more than 5% of the aggregate shares in the company

Name of Shareholder	31-Dec-21		31-Mar-21		31-Mar-20		31-Mar-19	
	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding
Meenakshi Pathak	56,000	8.03%	56,000	8.03%	56,000	8.03%	56,000	8.03%
Reliable Data Services Limited	627,000	89.96%	627,000	89.96%	627,000	89.96%	627,000	89.96%
Sunil Kumar Rai	14,000	2.01%	14,000	2.01%	14,000	2.01%	14,000	2.01%
<b>Total</b>	<b>697,000</b>	<b>100.00%</b>	<b>697,000</b>	<b>100.00%</b>	<b>697,000</b>	<b>100.00%</b>	<b>697,000</b>	<b>100.00%</b>

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure A,B,C,D.

**A.1.5** Shareholding of Promotors

Name of Shareholder	31-Dec-21		31-Mar-21		31-Mar-20		31-Mar-19	
	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding
Meenakshi Pathak	56,000	8.03%	56,000	8.03%	56,000	8.03%	56,000	8.03%
Reliable Data Services Limited	627,000	89.96%	627,000	89.96%	627,000	89.96%	627,000	89.96%
Sunil Kumar Rai	14,000	2.01%	14,000	2.01%	14,000	2.01%	14,000	2.01%

Note: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure A,B,C,D.

**ANNEXURE – A.2 : RESTATED STATEMENT OF RESERVES AND SURPLUS**

(Rs. In Lakhs)

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
<b>Reserves &amp; Surplus</b>				
<b>1. Securities Premium</b>				

Balance as at the beginning of the year	134.10	134.10	134.10	134.10
Addition during the year	-	-	-	-
Issued for Bonus Issue	-	-	-	-
Balance as at the end of the year	<b>134.10</b>	<b>134.10</b>	<b>134.10</b>	<b>134.10</b>
<b>Balance in Statement of Profit &amp; Loss</b>				
Balance as at the beginning of the year	496.77	486.22	378.13	231.20
Add: Profit for the year	71.23	10.56	111.54	148.09
Less: Prior Period Items	0.72	-	-	(4.62)
Less : Bonus Shares Issued during the year	-	-	-	-
Balance as at the end of the year	<b>568.72</b>	<b>496.77</b>	<b>486.22</b>	<b>374.67</b>
<b>Grand Total</b>	<b>702.83</b>	<b>630.88</b>	<b>620.32</b>	<b>508.78</b>

#### ANNEXURE – A.3 : RESTATED STATEMENT OF LONG-TERM BORROWINGS

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
<b>Secured:</b>				
From Bank:				
Car Loan	-	0.66	2.38	4.72
Property Loan				
<b>Unsecured:</b>				
Loan from Bank/NBFC	18.76	(0.00)	9.88	17.97
<b>Total</b>	<b>18.76</b>	<b>0.66</b>	<b>12.25</b>	<b>22.69</b>

Note A.3.1: There were no re-schedulement or default in the repayment of loans taken by the Company.

Note A.3.2: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D, A, B, C.

#### ANNEXURE – A.3.2 & A.3.5 STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS (Amount in Lacs)

Name of Lender	Purpose	Sanctioned Amount	Securities offered	Rate of Interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books)
							31.12.2021
HDFC Bank Limited	Cash Credit	200.00	Primary Security is Book Debts & Collateral Security by way of Personal Guarantee	8.65	Renewal Due on 20.03.2022	NIL	167.27
HDFC Bank Limited	Car Loan	6.50	By way of Hypothecation of Car	8.75	Repayable in 60 EMI of Rs. 13414.00	NIL	1.04
<b>Total</b>		<b>206.50</b>					<b>168.30</b>

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

#### ANNEXURE – A.3.2 & A.3.5 STATEMENT OF PRINCIPAL TERMS OF UNSECURED LOANS (Amount in Lacs)

Name of Lender	Purpose	Sanctioned Amount	Securities offered	Rate of Interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books)
							31.12.2021

Fullerton	Business	28.00	NIL	17%	Repayable in 37 EMI of Rs. 99828.00	NIL	26.79
Reliable Data Services Limited	Business	NIL	NIL	NIL	On Demand	NIL	79.89
Sanjay K Pathak & Associates	Business	NIL	NIL	NIL	On Demand	NIL	8.69
<b>Total</b>		<b>28.00</b>					<b>115.37</b>

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

#### ANNEXURE – A.4 : RESTATED STATEMENT OF LONG TERM PROVISIONS

(Rs. In Lakhs)

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
Provision for Gratuity	17.53	17.53	13.98	15.61
<b>Grand Total</b>	<b>17.53</b>	<b>17.53</b>	<b>13.98</b>	<b>15.61</b>

Note A.4.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

#### ANNEXURE – A.5 : RESTATED STATEMENT OF SHORT TERM BORROWINGS

(Rs. In Lakhs)

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
<i>Secured:</i>				
From Bank	167.27	111.81	-	20.11
<i>Unsecured</i>				
From Others	88.58	147.02	72.16	5.73
Current Maturities of Long Term Debt	9.07	33.25	88.66	72.01
<b>Total</b>	<b>264.91</b>	<b>292.08</b>	<b>160.82</b>	<b>97.85</b>

Note A.5.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

#### ANNEXURE – A.6 : RESTATED STATEMENT OF TRADE PAYABLES

(Rs. In Lakhs)

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
Trade Payables due to				
- Micro and Small Enterprises	-	-	-	-
<b>- Others</b>				
- Promotor/Promotor Group	502.70	346.14	113.40	83.87
- Others	159.07	293.06	83.59	2.86
<b>Total</b>	<b>661.77</b>	<b>639.20</b>	<b>196.99</b>	<b>86.73</b>

Note A.6.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.7: RESTATED STATEMENT OF OTHER CURRENT LIABILITIES**
**(Rs. In Lakhs)**

Particulars	As at 31st December		As at 31st March		
	2021	2021	2020	2020	2019
Statutory Payables	38.53	43.38	53.38		47.52
Staff Society Fund	-	0.41	0.22		0.51
Staff Salary/Bonus Payable	7.24	15.01	20.80		22.53
Provision for Expenses Payable	1.17	1.56	2.38		2.60
Credit Balance in Current Account	2.29	-	-		0.00
Audit Fees Payable	0.30	0.15	0.15		0.10
<b>Grand Total</b>	<b>49.53</b>	<b>60.51</b>	<b>76.92</b>		<b>73.26</b>

Note A.7.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.8: RESTATED STATEMENT OF SHORT-TERM PROVISIONS**
**(Rs. In Lakhs)**

Particulars	As at 31st December		As at 31st March		
	2021	2021	2020	2020	2019
Provision for Income Tax	27.50	5.37	37.09		52.66
Provision for Gratuity	3.72	3.72	3.08		0.88
<b>Grand Total</b>	<b>31.22</b>	<b>9.08</b>	<b>40.17</b>		<b>53.54</b>

Note A.8.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.9 : RESTATED STATEMENT OF PROPERTY, PLANT AND EQUIPMENT**
**As At 31.12.2021**

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01st Apr 2021	Additions	Deletion/Sale	Balance as at 31st December 2021	Balance as at 01st Apr 2021	Depreciation charge for the period	Deletion-Sale /Loss	Balance as at 31st December 2021	Balance as at 01st Apr 2021	Balance as at 31st December 2021
<b>A. Property Plant &amp; Equipment</b>										
Computer	100.34	-		100.34	90.61	6.86	-	97.47	9.73	2.87
Office Equipments	14.00	-		14.00	11.30	0.41	-	11.71	2.69	2.29
UPS	3.41	-		3.41	3.15	0.03	-	3.18	0.26	0.23
Air Conditioner	1.87	-		1.87	1.71	0.04	-	1.75	0.16	0.12
Motor Car	15.51	-		15.51	13.70	1.05		14.75	1.81	0.76
Furniture & Fixtures	2.93	-		2.93	2.30	0.16		2.47	0.63	0.46
<b>Total (A)</b>	<b>138.06</b>	<b>-</b>	<b>-</b>	<b>138.06</b>	<b>122.78</b>	<b>8.54</b>	<b>-</b>	<b>131.32</b>	<b>15.28</b>	<b>6.74</b>
<b>Intangible Assets Under Development</b>										
Software Research & Development	699.62	-		699.62	-	-		-	699.62	699.62
<b>Total (B)</b>	<b>699.62</b>	<b>-</b>	<b>-</b>	<b>699.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>699.62</b>	<b>699.62</b>

**As At 31.03.2021**

Particulars	Gross Block			Accumulated Depreciation				Net Block		
	Balance as at 01st Apr 2020	Additions	Deletion/Sale	Balance as at 31 March 2021	Balance as at 01st Apr 2020	Depreciation charge for the period	Deletion-Sale/Loss	Balance as at 31 March 2021	Balance as at 01st Apr 2020	Balance as at 31 March 2021
<b>A. Property Plant &amp; Equipment</b>										
Computer	99.97	0.37	-	100.34	83.73	6.88	-	90.61	16.24	9.73
Office Equipments	12.03	1.96	-	14.00	10.86	0.44	-	11.30	1.17	2.69
UPS	3.41			3.41	3.11	0.04		3.15	0.30	0.26
Air Conditioner	1.87		-	1.87	1.66	0.05	-	1.71	0.21	0.16
Motor Car	16.78		1.27	15.51	12.30	1.40	-	13.70	4.48	1.81
Furniture & Fixtures	2.93		-	2.93	2.08	0.22	-	2.30	0.85	0.63
<b>Total (A)</b>	<b>137.00</b>	<b>2.33</b>	<b>1.27</b>	<b>138.06</b>	<b>113.75</b>	<b>9.03</b>	<b>-</b>	<b>122.78</b>	<b>23.25</b>	<b>15.28</b>
<b>Intangible Assets Under Development</b>										
Software Research & Development	417.56	282.07	-	699.62	-	-	-	-	417.56	699.62
<b>Total (B)</b>	<b>417.56</b>	<b>282.07</b>	<b>-</b>	<b>699.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417.56</b>	<b>699.62</b>

**As At 31.03.2020**

Particulars	Gross Block			Accumulated Depreciation				Net Block		
	Balance as at 01st Apr 2019	Additions	Deletion/Sale	Balance as at 31 March 2020	Balance as at 01st Apr 2019	Depreciation charge for the period	Deletion-Sale/Loss	Balance as at 31 March 2020	Balance as at 01st Apr 2019	Balance as at 31 March 2020
<b>A. Property Plant &amp; Equipment</b>										
Computer	97.85	2.12	-	99.97	64.63	19.10	-	83.73	33.22	16.24
Office Equipments	12.03		-	12.03	10.12	0.74	-	10.86	1.91	1.17
UPS	3.41		-	3.41	2.86	0.25	-	3.11	0.55	0.30
Air Conditioner	1.87			1.87	1.49	0.17		1.66	0.38	0.21
Motor Car	16.78		-	16.78	10.26	2.04	-	12.30	6.53	4.48
Furniture & Fixtures	2.93		-	2.93	1.79	0.30	-	2.08	1.14	0.85
<b>Total (A)</b>	<b>134.88</b>	<b>2.12</b>	<b>-</b>	<b>137.00</b>	<b>91.14</b>	<b>22.61</b>	<b>-</b>	<b>113.75</b>	<b>43.73</b>	<b>23.25</b>
<b>Intangible Assets Under Development</b>										
Software Research & Development	275.66	141.90	-	417.56	-	-	-	-	275.66	417.56
<b>Total (B)</b>	<b>275.66</b>	<b>141.90</b>	<b>-</b>	<b>417.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>275.66</b>	<b>417.56</b>

As At 31.03.2019

Particulars	Gross Block			Accumulated Depreciation				Net Block		
	Balance as at 01st Apr 2018	Additions	Deletion/Sale	Balance as at 31 March 2019	Balance as at 01st Apr 2018	Depreciation charge for the period	Deletion-Sale/Loss	Balance as at 31 March 2019	Balance as at 01st Apr 2018	Balance as at 31 March 2019
<b>A. Property Plant &amp; Equipment</b>										
Computer	64.71	33.14	-	97.85	56.84	7.79	-	64.63	7.87	33.22
Office Equipments	11.27	0.77		12.03	9.00	1.12	-	10.12	2.26	1.91
UPS	3.41	-	-	3.41	2.40	0.45	-	2.86	1.01	0.55
Air Conditioner	1.60	0.27		1.87	1.26	0.23	-	1.49	0.34	0.38
Motor Car	16.78		-	16.78	7.29	2.96	-	10.26	9.49	6.53
Furniture & Fixtures	2.93		-	2.93	1.39	0.40	-	1.79	1.54	1.14
<b>Total (A)</b>	<b>100.70</b>	<b>34.18</b>	<b>-</b>	<b>134.88</b>	<b>78.19</b>	<b>12.95</b>	<b>-</b>	<b>91.14</b>	<b>22.51</b>	<b>43.73</b>
<b>Intangible Assets Under Development</b>										
Software Research & Development	168.61	107.04	-	275.66	-	-	-	-	168.61	275.66
<b>Total (B)</b>	<b>168.61</b>	<b>107.04</b>	<b>-</b>	<b>275.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>168.61</b>	<b>275.66</b>

Note A.9.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.10: RESTATED STATEMENT OF DEFERRED TAX ASSETS/(LIABILITIES) (NET)**

(Rs. In Lakhs)

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
<b>Deferred Tax Liability</b>				
Related to Fixed Assets & Gratuity	-		-	-
Loss Carried forward	-		-	-
<b>Total (a)</b>	<b>-</b>		<b>-</b>	<b>-</b>
<b>Deferred Tax Assets</b>				
Related to Fixed Assets & Gratuity	9.71	8.98	8.12	6.35
<b>Total (b)</b>	<b>9.71</b>	<b>8.98</b>	<b>8.12</b>	<b>6.35</b>
<b>Net deferred tax asset/(liability){(b)-(a)}</b>	<b>9.71</b>	<b>8.98</b>	<b>8.12</b>	<b>6.35</b>

Note A.10.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.11: RESTATED STATEMENT OF NON-CURRENT ASSETS**

(Rs. In Lakhs)

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
Security Deposits	7.24	7.24	9.24	7.14
<b>Grand Total</b>	<b>7.24</b>	<b>7.24</b>	<b>9.24</b>	<b>7.14</b>

Note A.11.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.12: RESTATED STATEMENT OF TRADE RECEIVABLES**
**(Rs. In Lakhs)**

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
<b>Outstanding for a period exceeding six months (Unsecured and considered Good)</b>				
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	10.71	124.57	58.80	-
Others	194.45	126.34	3.51	36.68
<b>Outstanding for a period exceeding six months (Unsecured and considered Doubtful)</b>				
Others	86.57	91.98	97.39	102.80
<b>Outstanding for a period not exceeding 6 months (Unsecured and considered Good)</b>				
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	20.59	1.62	118.32	87.31
Others	625.03	484.08	269.29	144.76
<b>Grand Total</b>	<b>937.35</b>	<b>828.59</b>	<b>547.31</b>	<b>371.55</b>

Note A.12.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.13: RESTATED STATEMENT OF CASH AND BANK BALANCES**
**(Rs. In Lakhs)**

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
<u>Cash &amp; Cash Equivalents</u>				
Cash in hand	2.30	3.05	2.52	3.87
<u>Balances with Banks:</u>				
In Current Accounts	0.48	5.06	24.26	12.07
In Deposit Accounts	6.97	6.67	-	53.81
<b>Grand Total</b>	<b>9.76</b>	<b>14.78</b>	<b>26.78</b>	<b>69.75</b>

Note A.13.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – A.14 : RESTATED STATEMENT OF SHORT TERM LOANS AND ADVANCES**
**(Rs. In Lakhs)**

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
Trade Advance	-	-	-	1.76
Staff Advance	57.26	76.70	44.51	8.90
Staff Imprest	1.22	1.15	2.20	0.46
<b>Grand Total</b>	<b>58.49</b>	<b>77.85</b>	<b>46.71</b>	<b>11.12</b>

Note A.14.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.



**ANNEXURE – A.15: RESTATED STATEMENT OF OTHER CURRENT ASSETS**
**(Rs. In Lakhs)**

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
Balances With Revenue Authorities	80.98	60.65	106.27	136.74
TDS Refundable	-	-	-	0.83
Future Generali Insurance co. Limited	6.17	6.17	5.72	5.00
Prepaid Expenses	0.19	0.46	0.19	-
<b>Grand Total</b>	<b>87.34</b>	<b>67.28</b>	<b>112.18</b>	<b>142.58</b>

Note A.15.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.1: RESTATED STATEMENT OF REVENUE FROM OPERATIONS**
**(Rs. In Lakhs)**

Particulars	For The Period Ended	As at 31st March		
	on December 31, 2021	2021	2020	2019
Revenue from operations				
Export	-	-	-	-
Domestic	899.25	1041.19	999.73	1,103.85
<b>Revenue from operations</b>	<b>899.25</b>	<b>1041.19</b>	<b>999.73</b>	<b>1103.85</b>

Note B.1.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.2: RESTATED STATEMENT OF OTHER INCOME**
**(Rs. In Lakhs)**

Particulars	For The Period Ended	As at 31st March		
	on December 31, 2021	2021	2020	2019
Interest Income	0.04	4.35	12.86	2.81
Profit on Sale of Car	-	8.00	-	-
<b>Grand Total</b>	<b>0.04</b>	<b>12.36</b>	<b>12.86</b>	<b>2.81</b>

Note B.2.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.3 : RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSE**
**(Rs. In Lakhs)**

Particulars	For The Period Ended	As at 31st March		
	on December 31, 2021	2021	2020	2019
Salary Expenses	114.69	152.62	210.64	251.06
Provident Fund Expenses	2.68	4.05	9.84	13.83
Provision for Gratuity Expenses	-	3.74	0.13	6.94
Bonus	1.55	3.52	4.14	5.41
Staff Welfare Exp	8.13	7.48	3.84	3.51
Director Remuneration	-	21.00	21.00	21.00
<b>Grand Total</b>	<b>127.05</b>	<b>192.40</b>	<b>249.59</b>	<b>301.76</b>

Note B.3.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.4 : RESTATED STATEMENT OF FINANCE COSTS**
**(Rs. In Lakhs)**

Particulars	For The Period Ended	As at 31st March		
	on December 31, 2021	2021	2020	2019
Interest on Borrowings	15.22	23.24	25.85	23.21
Bank Charges	0.26	0.59	0.64	0.34
<b>Grand Total</b>	<b>15.48</b>	<b>23.83</b>	<b>26.49</b>	<b>23.54</b>

Note B.4.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.5 : RESTATED STATEMENT OF DEPRECIATION & AMORTIZATION**
**(Rs. In Lakhs)**

Particulars	For The Period Ended	As at 31st March		
	on December 31, 2021	2021	2020	2019
Depreciation	8.54	9.03	22.61	12.95
<b>Grand Total</b>	<b>8.54</b>	<b>9.03</b>	<b>22.61</b>	<b>12.95</b>

Note B.5.1: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.6 : RESTATED STATEMENT OF OTHER EXPENSES**
**(Rs. In Lakhs)**

Particulars	For The Period Ended	As at 31st March		
	on December 31, 2021	2021	2020	2019
Auditors Remuneration	0.23	0.15	0.15	0.10
Advertisement & Publicity Expenses	-	-	0.38	-
Communication Expenses	14.96	21.23	39.14	36.61
Electricity Expenses	6.00	1.72	1.32	1.45
Legal & Professional Expenses	0.09	0.47	0.55	0.22
Printing & Stationary Expenses	1.85	3.91	2.79	3.17
Facility Charges	21.49	37.42	57.95	60.57
Repair & Maintenance Expenses	1.04	1.98	2.84	4.16
ROC Fees	0.16	0.02	0.04	0.21
Travelling & Conveyance Expenses	15.11	24.98	27.20	44.17
Rates & Taxes	0.56	1.57	2.06	0.32
Computer Expenses	2.36	5.80	7.86	9.79
Courier Expenses	0.52	0.08	0.29	0.18
Insurance Premium	0.51	0.65	0.14	-
Car Lease Rent Expenses	0.96	2.14	2.33	2.33
Accounting charges	2.70	3.30	3.60	3.60
Outsource Expenses	418.73	494.41	115.67	200.13
Retainership Expenses	140.17	181.65	261.73	162.35
Rent Expenses	5.05	15.01	17.66	18.08
Provision for Doubtful Debts	5.41	5.41	5.41	5.41
Pick up & Verification Charges	13.32	11.05	14.06	18.59
<b>Grand Total</b>	<b>651.20</b>	<b>812.94</b>	<b>563.17</b>	<b>571.43</b>

Note B.6.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE – B.7 : RESTATED STATEMENT OF DEFERRED TAX (ASSETS)/LIABILITIES**
**(Rs. In Lakhs)**

Particulars	For The Period ended on December 31, 2021	As at 31st March		
		2021	2020	2019
WDV as per Companies Act, 2013 (A)	6.74	15.28	23.25	43.73
WDV as per Income tax Act, 1961 (B)	24.08	29.73	38.45	52.47
Difference in WDV (A-B)	(17.34)	(14.45)	(15.20)	(8.74)
Provision for Gratuity Disallowed	(21.25)	(21.25)	(17.06)	(16.49)
Total Timing Difference	(38.59)	(35.69)	(32.25)	(25.23)
Deferred Tax (Asset)/ Liability '(C)	(9.71)	(8.98)	(8.12)	(6.35)
Restated Closing Balance of Deferred Tax (Asset)/ Liability	(9.71)	(8.98)	(8.12)	(6.35)
Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year	(8.98)	(8.12)	(6.35)	(2.59)
Deferred Tax (Assets)/ Liability charged to Profit & Loss	(0.73)	(0.87)	(1.77)	(3.76)

Note B.7.1: The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II III.

## ANNEXURE – E : STATEMENT OF MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT

### 1 Material Regrouping

Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

### 2. Material Adjustments:

The Summary of results of restatement made in the Audited Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

Particulars	For The Period Ended December 31	For The Year Ended March 31,		
	2021	2021	2020	2019
<b>(A) Net Profits as per audited financial statements (A)</b>	74.68	9.84	109.43	143.00
<b>Add/(Less) : Adjustments on account of -</b>				
1) Prior Period Items transfer to Related Financial Year	1.56	2.38	2.60	1.91
2) Provision for Outstanding Expenses	(1.17)	(1.56)	(2.38)	(2.60)
3) Adjustment for Prepaid Expenses	0.19	0.46	0.19	-
4) Prepaid Expenss Transferred from Previous Period	(0.46)	(0.19)	-	-
5) Difference on Account of Calculation in Provision for Income Tax	(0.01)	(1.77)	(3.10)	3.88
6) Difference on Account of Calculation in Deferred Tax	1.48	1.39	1.35	2.65
7) Changes in the Provision for Gratuity Expenses	(5.03)	-	4.71	(2.00)
<b>Total Adjustments (B)</b>	<b>(3.44)</b>	<b>0.71</b>	<b>2.11</b>	<b>5.09</b>
<b>Restated Profit/ (Loss) (A+B)</b>	<b>71.23</b>	<b>10.56</b>	<b>111.54</b>	<b>148.09</b>

### 3. Notes on Material Adjustments pertaining to prior years

#### (1) Prior Period Items transfer to Related Financial Year

Expenses related to Previous Financial Year are Transferred to that particular year

#### (2) Provision for Outstanding Expenses

Provision is made for expenses related to particular period & their corresponding impact is given in next year.

#### (3) Adjustment of Prepaid Expenses

Prepaid Expenses are transferred to Next Financial year to which they actually relate

#### (4) Difference on Account of Calculation in Deferred Tax

Deferred tax is calculated on the difference of WDV as per Companies Act & income tax Act in Restated financials but in Audited financials the same has been calculated between difference of Depreciation. Further Deferred Tax has been calculated on Timing difference arises due to Provision for Gratuity which was not considered in Audited Financial Statements

#### (5) Change in Provision for Current Tax

Since the Restated profit has been changed so that the Provision for current tax is also got changed

#### (6) Change in Provision for Gratuity Expenses

Expected Return on plan assets has been considered in Gratuity Valuation as certified by the Actuary whereas at the time of Restatements of financials, Actual Return on plan assets has been considered in making provision for gratuity expenses year on

year, so there is some difference in Gratuity Expenses booked in Restated Statement of Profit & Loss as compare to Actuarial Valuation Report issued in this behalf.

**Reconciliation Statement between Restated Reserve & Surplus affecting Equity due to Adjustment made in Restated Financial Statements:**

Particulars	For The Period Ended December 31	For The Year Ended March 31,		
	2021	2021	2020	2019
<b>Equity Share Capital &amp; Reserves &amp; Surplus as per Audited financial Statement</b>	772.67	697.28	687.44	578.01
Add/(Less) : Adjustments on account of change in Profit/Loss	4.47	7.91	7.20	5.09
Add/(Less) : Adjustments on account of Prior Period Items in Reserves & Surplus	(4.62)	(4.62)	(4.62)	(4.62)
Total Adjustments (B)	<b>(0.15)</b>	<b>3.30</b>	<b>2.58</b>	<b>0.47</b>
<b>Equity Share Capital &amp; Reserves &amp; Surplus as per Restated Financial Statement</b>	772.53	700.58	690.02	578.48

**ANNEXURE - F : RESTATED STATEMENT OF TAX SHELTERS**

(Rs. In Lakhs)

Sr. No	Particulars	As at December 31	As at 31st March		
		2021	2021	2020	2019
<b>A</b>	<b>Restated Profit before tax</b>	97.01	15.35	150.73	196.99
	Short Term Capital Gain at special rate		-	-	-
	Normal Corporate Tax Rates (%)	25.17%	25.17%	25.17%	27.82%
	Short Term Capital Gain at special rate		-	-	-
	MAT Tax Rates (%)	15.60%	15.60%	19.24%	19.24%
<b>B</b>	<b>Tax thereon (including surcharge and education cess)</b>				
	Tax on normal profits	24.42	3.86	37.94	54.80
	Short Term Capital Gain at special rate		-	-	-
	<b>Total</b>	<b>24.42</b>	<b>3.86</b>	<b>37.94</b>	<b>54.80</b>
	<b>Adjustments:</b>				
<b>C</b>	<b>Permanent Differences</b>				
	Deduction allowed under Income Tax Act	-	-	-	(19.52)
	Exempt Income	-	-	-	-
	Allowance of Expenses under the Income Tax Act Section 35	-	-	-	-
	Disallowance of Income under the Income Tax Act	-	-	-	-
	Disallowance of Expenses under the Income Tax Act	5.41	5.41	5.41	5.41
	<b>Total Permanent Differences</b>	<b>5.41</b>	<b>5.41</b>	<b>5.41</b>	<b>(14.11)</b>
<b>D</b>	<b>Timing Differences</b>				
	Difference between Depreciation as per Income tax, 1961 and Companies Act 2013	2.89	(2.02)	6.46	(0.55)
	Provision for Gratuity disallowed	-	3.74	0.13	6.94
	Expense disallowed u/s 43B	-	-	-	-
	<b>Total Timing Differences</b>	<b>2.89</b>	<b>1.72</b>	<b>6.59</b>	<b>6.40</b>
<b>E</b>	<b>Net Adjustments E= (C+D)</b>	<b>8.30</b>	<b>7.13</b>	<b>12.00</b>	<b>(7.71)</b>
<b>F</b>	<b>Tax expense/(saving) thereon</b>	2.09	1.80	3.02	(2.15)
<b>G</b>	<b>Total Income/(loss) (A+E)</b>	<b>105.31</b>	<b>22.48</b>	<b>162.73</b>	<b>189.27</b>
	Taxable Income/ (Loss) as per MAT	97.01	15.35	150.73	196.99
<b>I</b>	<b>Income Tax as per normal provision</b>	26.51	5.66	40.96	52.66
<b>J</b>	<b>Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act</b>	15.13	2.39	29.00	37.90
	<b>Net Tax Expenses (Higher of I,J)</b>	26.51	5.66	40.96	52.66
<b>K</b>	Relief u/s 90/91			-	-
	<b>Total Current Tax Expenses</b>	<b>26.51</b>	<b>5.66</b>	<b>40.96</b>	<b>52.66</b>

<b>L</b>	Adjustment for Interest on income tax/ others		-		
	<b>Total Current Tax Expenses</b>	<b>26.51</b>	<b>5.66</b>	<b>40.96</b>	<b>52.66</b>

**ANNEXURE - G : RESTATED STATEMENT OF CAPITALISATION**

(Rs. In Lakhs)

Sr. No	Particulars	Pre issue	Post issue
	<b>Debts</b>		
A	Long Term Debt*	18.76	18.76
B	Short Term Debt*	264.91	264.91
C	<b>Total Debt</b>	<b>283.67</b>	<b>283.67</b>
	<b>Equity Shareholders Funds</b>		
	Equity Share Capital#	69.70	[●]
	Reserves and Surplus	702.83	[●]
D	<b>Total Equity</b>	<b>772.53</b>	[●]
	Long Term Debt/ Equity Ratio (A/D)	0.02	[●]
	Total Debt/ Equity Ratio (C/D)	0.37	[●]

Notes:

\* The amounts are consider as outstanding as on 31.12.2021

# Post Issue Figures are not yet finalized since the Issue Price is yet to be decided

**ANNEXURE - H : RESTATED STATEMENT OF CONTINGENT LIABILITIES**

(Rs. In Lakhs)

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
1. Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	-	-	-	-
2. Capital Commitment	-	-	-	-
3. Income Tax Demand	-	-	-	103.31
4. TDS Demands	-	-	-	-
5. ESIC Demand	-	-	-	-
<b>Total</b>	-	-	-	103.31

**ANNEXURE - I : RESTATED STATEMENT OF ACCOUNTING RATIOS**

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
Restated PAT as per P& L Account (Rs. in Lakhs)	71.23	10.56	111.54	148.09
<b>EBITDA</b>	121.03	48.21	199.83	233.48
<b>Actual No. of Equity Shares outstanding at the end of the period</b>	697,000	697,000	697,000	697,000
Weighted Average Number of Equity Shares at the end of the Period (Note -2)	62,73,000	62,73,000	62,73,000	62,73,000
Net Worth	772.53	700.58	690.02	578.48
Current Assets	1092.93	988.51	732.98	595.27
Current Liabilities	1007.44	1000.87	474.90	311.37
<b>Earnings Per Share</b>				
Basic EPS (Pre Bonus)	10.22	1.51	16.00	21.25
Eps (Post Bonus)	1.14	0.17	1.78	2.36
				-
<b>Return on Net Worth (%)</b>	9.22%	1.51%	16.17%	25.60%
<b>Net Asset Value Per Share</b>				
Pre Bonus	110.84	100.51	99.00	83.00
Post Bonus	12.32	11.17	11.00	9.22
<b>Current Ratio</b>	1.08	0.99	1.54	1.91

<b>EBITDA</b>	121.03	48.21	199.83	233.48
Nominal Value per Equity share(Rs.)	10	10	10	10

\* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

Notes :

- 1) The ratios have been calculated as below:
  - a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
  - b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
  - c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
  - d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.
- 2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.
- 3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
- 4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)
- 5) The figures disclosed above are based on the Restated Financial Statements of the Company.

#### ANNEXURE - J(i) : RESTATED STATEMENT OF RELATED PARTY DISCLOSURES

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

##### i. List of Related Parties and Nature of Relationship :

Particulars	Name of Related Parties
a) Key Management Personnel's	Meenakshi Pathak
	Sunil Kumar Rai
	Anil Khullar
	Pankaj Rai
b) Sister Concern	Authentic Healthcare Services Private Limited
	Ascent Keyboardlabs Technologies pvt Ltd
	Reliable Data Services Ltd.
	Authentic Developers pvt Lrd.
	Sharp Eagle Investigation pvt. Ltd.
	Vibrant Educare pvt. Ltd.
	Factoring Management Services India pvt. Ltd.
	Sanjay K Pathak & Associates
RDS Allied Services Private Limited	

Note 1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

##### ANNEXURE - J(ii) - Transactions carried out with related parties referred to in (i) above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	As at 31st December	As at March 31		
		2021	2021	2020	2019
<b>1. Directors Remuneration</b>	Anil Khullar	-	21.00	21.00	21.00
<b>Total</b>		-	<b>21.00</b>	<b>21.00</b>	<b>21.00</b>
<b>2. Services Received</b>	Authentic Developers Private Limited	-	58.93	64.67	64.48

	Ascent Keyboardlabs Technologies Private Limited	-	-	-	6.24
	Reliable Data Services Limited	-	86.45	72.49	48.97
	Sharp Eagle Investigation pvt. Ltd.	87.75	-	-	-
	Vibrant Educare pvt. Ltd.	151.26	189.89	-	-
<b>3. Services Rendered</b>	Authentic Developers Private Limited	-	-	-	0.46
	Reliable Data Services Limited	3.23	1.04	1.59	23.10
	Authentic Healthcare Services Private Limited	34.08	30.83	30.29	64.45
	Sharp Eagle Investigation pvt. Ltd.	3.68	-	55.75	33.55
	Vibrant Educare pvt. Ltd.	117.65	-	14.00	42.63
	Factoring Management Services India pvt. Ltd.	-	-	-	18.47
	Ascent Keyboardlabs Technologies Private Limited	-	-	5.36	-
	Sanjay K Pathak & Associates	0.28	-	-	-
	RDS Allied Services Private Limited	-	-	16.52	-
<b>4. Trade Advance Given (Taken)</b>	Reliable Data Services Limited	-	-	-	56.58
	Reliable Data Services Limited	-	-	-	(54.82)
	Authentic Healthcare Services Private Limited	-	-	-	1.25
	Authentic Healthcare Services Private Limited	-	-	-	(1.25)
<b>5. Unsecured Loan</b>	<b>Sanjay K Pathak &amp; Associates</b>				
	Opening Balance	8.69	8.19	5.73	2.37
	Add: Loan Received During the Year	1.00	3.00	2.46	3.36
	Less: Load Repaid During the year	1.00	2.50	-	-
	Closing Balance	<b>8.69</b>	<b>8.69</b>	<b>8.19</b>	<b>5.73</b>
	<b>Reliable Data Services Limited</b>				
	Opening Balance	138.33	63.47	(1.76)	-
	Add: Loan Received During the Year	114.57	178.79	65.23	54.82
	Less: Load Repaid During the year	173.01	103.93	-	56.58
	Closing Balance	<b>79.89</b>	<b>138.33</b>	<b>63.47</b>	<b>(1.76)</b>
	<b>Sharp Eagle Investigation pvt. Ltd.</b>				
	Opening Balance	-	0.50	-	-
Add: Loan Received During the Year	-	-	0.50	-	
Less: Load Repaid During the year	-	0.50	-	-	
Closing Balance	-	-	<b>0.50</b>	-	

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C

**ANNEXURE - J(iii) - Outstanding Balance as at the end of the year**

**(Rs. In Lakhs)**

	<b>Particulars</b>	<b>31.12.2021</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
<b>1. Payables</b>	Reliable Data Services Limited	299.82	239.96	152.71	79.69
	Authentic Developers Private Limited	99.41	64.19	23.88	4.18
	Ascent Keyboardlabs Technologies Private Limited	-	-	0.28	-
	Sharp Eagle Investigation Private Limited	62.40	0.69	0.50	
	Sanjay K Pathak & Associates	9.38	8.69	8.19	5.73
	Vibrant Educare Private Limited	120.27	179.65	-	-
<b>Total</b>		<b>591.28</b>	<b>493.16</b>	<b>185.56</b>	<b>89.59</b>

	<b>Particulars</b>	<b>31.12.2021</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
<b>2. Receivables</b>	Authentic Healthcare Services Private Limited	4.58	88.82	77.65	68.60
	Sharp Eagle Investigation Private Limited	0.35	26.66	63.95	18.71
	Vibrant Educare Private Limited	15.65	-	16.24	-
	Sanjay K Pathak & Associates	0.24	0.24	0.12	-
	Reliable Data Services Limited	0.00	-	-	1.76
	RDS Allied Services Private Limited	10.47	10.47	19.17	-
<b>Total</b>		<b>31.30</b>	<b>126.19</b>	<b>177.12</b>	<b>89.07</b>

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.



**OTHER FINANCIAL INFORMATION**

(Rs in Lakhs)

Particulars	As at 31st December	As at 31st March		
	2021	2021	2020	2019
Restated PAT as per P& L Account (Rs. in Lakhs)	71.23	10.56	111.54	148.09
<b>EBITDA</b>	121.03	48.21	199.83	233.48
<b>Actual No. of Equity Shares outstanding at the end of the period</b>	697,000	697,000	697,000	697,000
Weighted Average Number of Equity Shares at the end of the Period (Note -2)	62,73,000	62,73,000	62,73,000	62,73,000
Net Worth	772.53	700.58	690.02	578.48
Current Assets	1092.93	988.51	732.98	595.27
Current Liabilities	1007.44	1000.87	474.90	311.37
<b>Earnings Per Share</b>				
Basic EPS (Pre Bonus)	10.22	1.51	16.00	21.25
Eps (Post Bonus)	1.14	0.17	1.78	2.36
				-
<b>Return on Net Worth (%)</b>	9.22%	1.51%	16.17%	25.60%
<b>Net Asset Value Per Share</b>				
Pre Bonus	110.84	100.51	99.00	83.00
Post Bonus	12.32	11.17	11.00	9.22
<b>Current Ratio</b>	1.08	0.99	1.54	1.91
<b>EBITDA</b>	121.03	48.21	199.83	233.48
Nominal Value per Equity share(Rs.)	10	10	10	10

\* The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earning per share of the company remain the same.

**Notes :**

- 1) The ratios have been calculated as below:
  - a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
  - b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
  - c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
  - d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.
- 2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.
- 3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
- 4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)
- 5) The figures disclosed above are based on the Restated Financial Statements of the Company.

## **MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS**

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled "Risk Factors" beginning on page 20 and "Forward Looking Statements" beginning on page 14, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.*

*The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the stub period ended on December 31, 2021 and for the years ended March 31, 2021, March 31, 2020 and 2019 including the schedules and notes thereto and the reports thereto, which appear in the section titled "Financial Information of our company" on Page No. 134 of the Draft Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements*

### **Overview**

Kandarp Digi Smart BPO Limited is engaged in BPO services specializing in the area of support services solutions. Our Company provides wide ranges of support services such as Call Centre, Contact Point Verifications, Site Visits, Document check/Pickup, E-KYC, Skip Tracing, Employee Back Check, Staffing Solutions, Payroll Management, Payment Collections (soft), AMC Booking Services etc. to its clients and specializes in providing End to End solutions to customers/clients. We believe in providing efficient and accurate services which is core value of the organization. Our services are focussed towards delivering outstanding results for our clients. We adapt our outstanding services to cater to the specific needs of business and assist in achieving your business goals.

Our Company was originally incorporated on February 07, 2001 as "Dynamic Restructuring Management Services Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, N.C.T of Delhi & Haryana. The name of our company was changed from "Dynamic Restructuring Management Services Private Limited" to "Kandarp Management Services Private Limited" and fresh certificate of incorporation dated March 23, 2010 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further the name of our company was changed from "Kandarp Management Services Private Limited" to "Kandarp Digi Smart BPO Private Limited" and fresh certificate of incorporation dated December 09, 2021 was issued by Registrar of Companies, Delhi. Subsequently our Company was converted into Public Limited Company and name of company was changed from "Kandarp Digi Smart BPO Private Limited" to "Kandarp Digi Smart BPO Limited" vide fresh certificate of incorporation dated March 22, 2022 issued by the Registrar of Companies, Delhi.

Our Company operates from its Registered Office situated at GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India, Corporate Office at C- 69, C Block, Sector 2, Noida - 201301, Uttar Pradesh, India and Branch office at Old No. 7, New No. 13, First Street, Nandanam Extension, Chennai – 600035, Tamil Nadu, India

Our Company is an ISO 9001:2015 certified company for Quality Management Services in field of Banking Verifications, Credit and Risk Control/ Pick-Up Activities, Call Center and Audit.

We are always committed to fulfil the requirements of our clientele according to their needs. In order to meet these requirements, we have adapted to best measure in the industry for support services. We believe that we carry out extensive research, training and upgradation of technology to maintain the standard and quality of our services We are providing services that ensures customer satisfaction. We believe that we have long-term and stable relationships developed over the years with our key customers through the quality of services we provide.

Our company is in the current line of business for more than 20 years and the client lists includes various banks, insurance companies, financial service companies, etc. Also, we help our clients with our voice support services, field support services and Back Office Processing Services to provide a comprehensive range of services across all industry sectors to clients who are in need of specialist assistance. Our services can be tailored to meet the needs of each client. We make sure that we give our clients with the best so that they can meet the different challenges presented by business environment. We strive to use innovative strategies in order to ensure our client is exposed to the top-tier talent.

Our company is subsidiary of our promoter company Reliable Data Services Limited which is listed on SME Platform of National Stock Exchange of India Limited (NSE EMERGE). Kandarp Digi Smart BPO Limited is a Reliable Group Company driven by highly innovative team of professionals.

Our Company's aims to be within the best companies in its line of business and is accordingly continuously investing in state of art technology conducive to realize this aim. Our Company with its team is committed to offer the most varied range and latest technology for our services. To achieve the above stated aim, our Company is continuously investing in development of technologies.

Our Promoter Mr. Sunil Kumar Rai who has been instrumental in the growth of our business and actively advise us on finance, corporate strategy and planning. We have a strong management team with significant industry experience. Our Chairman and Managing Director, Mr. Sunil Kumar Rai has 27 years of experience in BPO industry thus vast experience of the Promoter has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoters and senior management team and their experience of over a decade in the industry in which our Company operates.

## **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure IV of Restated Financial Statements under chapter titled "Restated Financial Statements" beginning on page 134 of this Draft Prospectus.

## **Factors Affecting our Results of Operations**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on page 20 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;
6. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
7. Inability to successfully obtain registrations in a timely manner or at all;
8. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
9. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
10. Recession in the market;
11. Changes in laws and regulations relating to the industries in which we operate;
12. Effect of lack of infrastructure facilities on our business;
13. Our ability to successfully implement our growth strategy and expansion plans;
14. Our ability to meet our capital expenditure requirements;
15. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
16. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
17. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
18. Conflicts of interest with affiliated companies, the promoter group and other related parties;
19. The performance of the financial markets in India and globally;
20. Any adverse outcome in the legal proceedings in which we are involved;
21. Our ability to expand our geographical area of operation;
22. Concentration of ownership among our Promoters.

## RESULTS OF OUR OPERATION

(Rs. in Lakhs)

Particulars	For the period ended		For the year ended		For the year ended			
	December 31, 2021	% of Total Income	March 31, 2021	% of Total Income	March 31, 2020	% of Total Income	March 31, 2019	% of Total Income
<b>INCOME</b>								
Revenue from Operations	899.25	100.00	1041.19	98.83	999.73	98.73	1103.85	99.75
Other Income	0.04	0.00	12.36	1.17	12.86	1.27	2.81	0.25
<b>Total Income (A)</b>	<b>899.28</b>	<b>100.00</b>	<b>1053.55</b>	<b>100.00</b>	<b>1012.59</b>	<b>100.00</b>	<b>1106.67</b>	<b>100.00</b>
<b>EXPENDITURE</b>								
Cost of Material Consumed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of stock in trade	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employee benefits expense	127.05	14.13	192.40	18.26	249.59	24.65	301.76	27.27
Finance costs	15.48	1.72	23.83	2.26	26.49	2.62	23.54	2.13
Depreciation and amortization expense	8.54	0.95	9.03	0.86	22.61	2.23	12.95	1.17
Other expenses	651.20	72.41	812.94	77.16	563.71	55.67	571.43	51.64
<b>Total Expenses (B)</b>	<b>802.27</b>	<b>89.21</b>	<b>1038.20</b>	<b>98.54</b>	<b>861.86</b>	<b>85.11</b>	<b>909.68</b>	<b>82.20</b>
<b>Profit before Exceptional Items(A-B)</b>	<b>97.01</b>	<b>10.79</b>	<b>15.35</b>	<b>1.46</b>	<b>150.73</b>	<b>14.89</b>	<b>196.99</b>	<b>17.80</b>
<b>Exceptional Items</b>	-	-	-	-	-	-	-	-
<b>Profit Before Tax</b>	97.01	10.79	15.35	1.46	150.73	14.89	196.99	17.80
<b>Tax expense :</b>								
(i) Current tax	26.51	2.95	5.66	0.54	40.96	4.05	52.66	4.76
(ii) Deferred tax	(0.73)	(0.08)	(0.87)	(0.08)	(1.77)	(0.17)	(3.76)	(0.34)
<b>Total Tax Expense</b>	<b>25.78</b>	<b>2.87</b>	<b>4.79</b>	<b>0.45</b>	<b>39.19</b>	<b>3.87</b>	<b>48.9</b>	<b>4.42</b>
<b>Profit for the year</b>	<b>71.23</b>	<b>7.92</b>	<b>10.56</b>	<b>1.00</b>	<b>111.54</b>	<b>11.02</b>	<b>148.09</b>	<b>13.38</b>

### Review of Restated Financials,

#### Key Components of Company's Profit and Loss Statement

**Revenue from Sale of Services:** Revenue from operations mainly consists from Sales of Services.

**Other Income:** Other Income Consist of Profit on Sale of Assets, Interest Income etc.

**Expenses:** Company's expenses consist of Employee benefit expenses, Finance Cost, Depreciation and Amortization expenses & Other Expenses.

**Employee Benefits Expense:** Employee benefit expenses includes Salaries and Wages, Directors Remuneration & Contribution to Statutory Funds etc.

**Depreciation and Amortization Expense:** We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

**Other Expenses:** Other expenses includes Retainership Expenses, Outsourcing Expenses, Facility Expenses & Travelling Expenses etc.

## **Financial Performance Highlights for the year ended 31<sup>st</sup> December, 2021**

### **Total Income:**

The company's total income which includes from Sale of Services during the stub period ended on December 31, 2021 was Rs. 899.28 Lakhs.

### **Total Expenses:**

The total expenditure during the stub period ended on December 31, 2021 was Rs. 802.27 Lakhs. The total expenditure represents 89.21% of the total revenue. The total expenses are represented by Employee benefit expenses, Finance Cost, Depreciation and Amortization expenses & Administration & Other Expenses. The main constituent of total expenditure is Other Expenses.

### **Profit/ (Loss) after tax:**

The restated net profit during the stub period ended on December 31, 2021 was Rs. 71.23 Lakhs representing 7.92% of the total revenue of the Company.

## **Fiscal 2021 compared with Fiscal 2020**

### ***Revenue from Operation***

Revenue from operations had increased by 4.15% from ₹ 999.73 lakhs in Fiscal 2020 to ₹ 1041.19 lakhs in Fiscal 2021. The change was primarily due to increase in sales.

### ***Other Income***

Other income had decreased by 3.89% from ₹ 12.86 lakhs in Fiscal 2020 to ₹ 12.36 lakhs in Fiscal 2021 due to decrease in interest income in Deposits.

### ***Employee Benefit Expenses***

Employee benefit expenses had decreased by 22.91% from ₹ 249.59 lakhs in Fiscal 2020 to ₹ 192.4 lakhs in Fiscal 2021. This decrease was primarily due to lower salary expenses since the company has outsources some of its operations instead of in-house activities.

### ***Finance Costs***

Finance Costs had decreased from ₹ 26.49 lakhs in Fiscal 2020 to ₹ 23.83 in Fiscal 2021. This was primarily due to lower interest paid during the financial year.

### ***Depreciation and Amortization Expenses***

Depreciation had decreased by 60.06% from ₹ 22.61 lakhs in Fiscal 2020 to ₹ 9.03 lakhs in Fiscal 2021 due to decrease in depreciation on computers.

### ***Other Expenses***

Other expenses had increased by 44.21% from ₹ 563.71 lakhs in Fiscal 2020 to ₹ 812.94 lakhs in Fiscal 2021 majorly due to increase in outsourcing expenses as company has shifted its in-house activity to third parties.

### ***Tax Expenses***

The Company's tax expenses had decreased by 87.78% from ₹ 39.19 lakhs in the Fiscal 2020 to ₹ 4.79 lakhs in Fiscal 2021. This was primarily due to lower profit before tax during the financial year.

### ***Profit after Tax***

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 10.56 lakhs in Fiscal 2021 as compared to a net profit of ₹ 111.54 lakhs in Fiscal 2020. The decrease in Profit is due to increase in other expenses which majorly includes outsourcing expenses.

### **Fiscal 2020 compared with Fiscal 2019**

#### ***Revenue from Operation***

Revenue from operations had decreased by 9.43% from ₹ 1103.85 lakhs in Fiscal 2019 to ₹ 999.73 lakhs in Fiscal 2020. The change was primarily due to decrease in sales as in March, 2020 all operation was on hold due to Covid-19 lock-down.

#### ***Other Income***

Other income had increased from ₹ 2.81 lakhs in Fiscal 2019 to ₹ 12.86 lakhs in Fiscal 2020 due to increase in interest income.

#### ***Employee Benefit Expenses***

Employee benefit expenses had decreased by 17.29% from ₹ 301.76 lakhs in Fiscal 2019 to ₹ 249.59 lakhs in Fiscal 2020. This decrease was primarily due to lower salary expenses.

#### ***Finance Costs***

Finance Costs had increased from ₹ 23.54 lakhs in Fiscal 2019 to ₹ 26.49 in Fiscal 2020. This was primarily due to higher interest paid during the financial year.

#### ***Depreciation and Amortization Expenses***

Depreciation had increase by 74.59% from ₹ 12.95 lakhs in Fiscal 2019 to ₹ 22.61 lakhs in Fiscal 2020 due to increase in depreciation on computers.

#### ***Other Expenses***

Other expenses had marginally decreased by 1.35% from ₹ 571.43 lakhs in Fiscal 2019 to ₹ 563.71 lakhs in Fiscal 2020 due to lock down in March, 2020.

#### ***Tax Expenses***

The Company's tax expenses had decreased by 19.86% from ₹ 48.9 lakhs in the Fiscal 2019 to ₹ 39.19 lakhs in Fiscal 2020. This was primarily due to Lower Profit during the year.

### ***Profit after Tax***

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 111.54 lakhs in Fiscal 2020 as compared to a net profit of ₹ 148.09 lakhs in Fiscal 2019 due to higher proportion of other expenses in respect sales as compare to fiscal 2019.

### **Cash Flows**

(₹ in lakhs)

Particulars	For the period ended December 31, 2021	For the year ended March 31,		
		2021	2020	2019
Net Cash from Operating Activities	19.48	164.75	63.68	88.79
Net Cash from Investing Activities	0.04	(272.58)	(132.69)	(135.61)
Net Cash used in Financing Activities	(24.54)	95.84	26.04	67.13

#### ***Cash Flows from Operating Activities***

Net cash from operating activities for fiscal 2021 was at ₹ 164.75 lakhs as compared to the Profit Before Tax at ₹ 15.35 lakhs while for fiscal 2020 Net cash from operating activities was at ₹ 63.68 lakhs as compared to the Profit Before Tax at ₹ 150.73 Lakhs. This was primarily due to adjustments against adjustments against, changes in Working Capital.

Net cash from operating activities for fiscal 2020 was at ₹ 63.68 lakhs as compared to the Profit Before Tax at ₹ 150.73 lakhs while for fiscal 2019, net cash from operating activities was at ₹ 88.79 lakhs as compared to the Profit Before Tax of ₹ 196.99 lakhs. This was primarily due to adjustments against, changes in Working Capital.

Net cash from operating activities for fiscal 2019 was at ₹ 88.79 lakhs as compared to the Profit Before Tax at ₹ 196.99 lakhs.

#### ***Cash Flows from Investment Activities***

In fiscal 2021, the net cash invested in Investing Activities was ₹ (272.58) lakhs. This was mainly on account of Purchases of Fixed Assets.

In fiscal 2020, the net cash invested in Investing Activities was ₹ (132.69) lakhs. This was mainly on account of Purchases of Fixed Assets.

In fiscal 2019, the net cash invested in Investing Activities was ₹ (135.61) lakhs. This was mainly on account of Purchases of Fixed Assets.

#### ***Cash Flows from Financing Activities***

In fiscal 2021, the net cash from financing activities was ₹ 95.84 lakhs. This was on account proceeds from borrowings.

In fiscal 2020, the net cash from financing activities was ₹ 26.04 lakhs. This was on account of Proceeds from Borrowings.

In fiscal 2019, the net cash from financing activities was ₹ 67.13 lakhs. This was on account of Proceeds from Borrowings

#### **Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

##### ***1. Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

##### ***2. Significant economic changes that materially affected or are likely to affect income from continuing operations.***

Except for any change in economic policy affecting BPO industry in India, there are no other significant economic changes that may materially affect or likely to affect income from continuing operations.

##### ***3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section “Risk Factors” beginning on page 20 in the Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

##### ***4. Future changes in relationship between costs and revenues***

Our Company’s future costs and revenues will be determined by growth of industry in which we operate.

##### ***5. Increases in net sales or revenue and Introduction of new services or increased sales prices***

Increases in revenues are by and large linked to increases in volume of our business.

##### ***6. Status of any publicly announced New Service or Business Segment***

Our Company has not announced any new Service.

**7. Seasonality of business**

Our Company’s business is not seasonal in nature as it is BPO industry.

**8. Dependence on few customers/ clients**

The percentage of contribution of our Company’s Top Customers/Clients for the year ended December 31, 2021 is as follows:

Particulars	Customers
Top Ten (%)	68.15%

**9. Competitive conditions**

Competitive conditions are as described under the Chapters “Industry Overview” and “Business Overview” beginning on pages 78 and 88, respectively of the Draft Prospectus.

**10. Details of material developments after the date of last balance sheet i.e. December 31, 2021**

After the date of last Balance sheet i.e. December 31, 2021, the following material events have occurred after the last audited period:

- a. Our company had issued Bonus of 55,76,000 equity shares in the ratio of 8:1 dated January 31, 2022.
- b. Our Company was converted into Public Limited Company vide Special resolution passed by the Shareholders at the Extra-Ordinary General Meeting held on February 17, 2022 and a fresh certificate of incorporation dated March 22, 2022 issued by the Registrar of Companies, Delhi.
- c. We have changed the designation of Mr. Sunil Kumar Rai as Chairman cum Managing Director with effect from April 11, 2022
- d. Mrs. Meenakshi Pathak is appointed as Whole-Time Director of the Company with effect from April 11, 2022.
- e. We have appointed Mr. Pramod Kumar Tiwari as Independent Director with effect from April 11, 2022.
- f. Our Company has passed a Board Resolution for Initial Public Issue in Board Meeting held on April 01, 2022 and Shareholder’s Resolution in Extra-Ordinary Meeting held on April 11, 2022.
- g. We have appointed Mr. Parbind Kumar Jha & Ms. Niharika Gupta as Chief Financial Officer and Company Secretary respectively of the Company with effect from April 20, 2022.
- h. Our Company has re-constituted an Audit Committee (“Audit Committee”) and Nomination and Remuneration Committee and constitute Stakeholders Relationship Committee vide Board Resolution dated April 20, 2022, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with SEBI (Listing Obligations and Disclosure 221 Requirements) Regulations, 2015 applicable upon listing of the Company’s Equity shares on SME platform of NSE.



**CAPITALISATION STATEMENT**

<b>Sr. No</b>	<b>Particulars</b>	<b>Pre issue</b>	<b>Post issue</b>
	<b>Debts</b>		
A	Long Term Debt*	18.76	18.76
B	Short Term Debt*	264.91	264.91
C	<b>Total Debt</b>	<b>283.67</b>	<b>283.67</b>
	<b>Equity Shareholders Funds</b>		
	Equity Share Capital#	69.70	[•]
	Reserves and Surplus	702.83	[•]
D	<b>Total Equity</b>	<b>772.53</b>	[•]
	Long Term Debt/ Equity Ratio (A/D)	0.02	[•]
	Total Debt/ Equity Ratio (C/D)	0.37	[•]

Notes:

\* The amounts are consider as outstanding as on 31.12.2021

# Post Issue Figures are not yet finalized since the Issue Price is yet to be decided

## **SECTION X - LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters or Group Companies. Our Board, in its meeting held on April 20, 2022, determined that all pending litigation involving our Company, holding, Subsidiary, Directors, Promoters and Group Companies, other than criminal proceedings and statutory or regulatory actions, disciplinary actions including penalty imposed by SEBI or stock exchanges, claims related to direct and indirect taxes, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of Rs. 1,00,000/- ("Material Litigation").*

*As per the materiality policy adopted by the Board of our Company in its meeting held on April 20, 2022, creditors of our Company The outstanding dues to creditors in excess of Rs. 1,00,000/- will be considered material. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at [www.kdsbpo.com](http://www.kdsbpo.com)*

*Our Company, Directors, Promoter and Group Companies are not Wilful Defaulters or fraudulent borrower and there have been no violations of securities laws in the past or pending against them.*

### **OUTSTANDING MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND SUBSIDIARIES**

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

##### **A. FILED AGAINST OUR COMPANY**

###### **1) Litigation involving Criminal Laws**

NIL

###### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

###### **3) Disciplinary Actions by Authorities**

NIL

###### **4) Litigation involving Tax Liability**

Indirect Tax – NIL

Direct Tax:

1. As per details available on the Website of Income Tax Authority following notices are pending for proceedings against M/s. Kandarp Management Services Private Limited (hereinafter referred to as "the Assessee"):
  - a. An adjustment Notice have been issued u/s. 143(1)(a) for A.Y. 2017-18 and response in respect of same denying the claim has been submitted on 21.02.2019 post which no communication in respect of same had been issued.
  - b. A defective notice u/s.139(9) bearing DIN CPC/1819/G5/1863573836 dated 30.11.2018 for A.Y. 2018-19 an adjustment Notice have been issued u/s. 143(1)(a) for A.Y. 2018-19 and response in respect of same has been submitted on 23.03.2019, post which no communication in respect of same had been issued.
  - c. An adjustment notice u/s. 143(1)(a) bearing distinctive no. CPC/1920/G22/1973860871 dated 10.02.2020 has been issued against the Company for A.Y. 2019-20. The assessee has submitted its response in respect of the notices on 10.02.2020 post which no communication has been received from the department till date.
  - d. An adjustment notice bearing Document Identification no. EFL/2021/G22/9510618775 dated 03.09.2021 had been issued u/s. 143(1)(a) for A.Y. 2020-21. The company has submitted its response in respect of same on 17.09.2021 post which no response from the department has been received till date.
2. M/s. Kandarp Management Services Pvt. Ltd. (hereinafter referred to as "the Assessee") filed its return for A.Y. 2015-16 with a returned income of Rs. 22,49,720/- which was selected for limited scrutiny vide notice under Section 143(2) dated

19.09.2016. During the course of scrutiny, while a reconciliation of the returned income with that filed in Service Tax return, it was found that there was a difference in both the returns and accordingly after seeking explanation through Show Cause Notice dated 23.12.2017, an addition of Rs. 2,60,26,469/- was made to the total income, as concealed income of the Assessee, post which a net demand of Rs. 1,09,31,050/- was raised. Aggrieved by the addition of the concealed income, which the assessee claims to be 'expense on assignment' and which should have been allowed as expense as per the Assessee, the Assessee filed an appeal before Commissioner of Appeals, Income Tax, Delhi for assessment year 2015-16, vide acknowledgement no. 374618761250118 dated 25.01.2018.

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. CASES FILED BY OUR COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

1. Kandarp Management Services Limited v/s. Reliance Communications Limited (C.P. (IB) - 1075/2019)  
Kandarp Management Services Limited (hereinafter referred to as the "Petitioner") entered into a contract dated 01.04.2014 with M/s. Reliance Communications Limited (hereinafter referred to as the "Respondent") for providing services related to address and credit verification for the respondent. Against the services provided by the Applicant, the last payment made by the respondent towards the running account was on 31.03.2016 post which a net due of Rs. 31,12,226.87 remained pending to be received. As alleged by the petitioner, the respondent failed to settle the outstanding dues towards the applicant even after several follow-ups post which the Applicant served a demand notice dated 20.02.2019 under Section 8 of the Insolvency and Bankruptcy Code, 2016. Upon receipt of no response to the demand notice, a petition dated 13.03.2019, under Section 9 of the Insolvency and Bankruptcy Code, 2016 was filed before the National Company Law Tribunal, Mumbai Bench. The matter is pending before the Authority and the next date of hearing is 07.06.2022.
2. Kandarp Management Services Limited v/s. Reliance Communications Infrastructure Limited (C.P. (IB) - 1078/2019)  
Kandarp Management Services Limited (hereinafter referred to as the "Petitioner") entered into a contract dated 01.04.2014 with M/s. Reliance Communications Infrastructure Limited (hereinafter referred to as the "Respondent") for providing services related to address and credit verification for the respondent. Against the services provided by the Applicant, the last payment made by the respondent towards the running account was on 05.01.2016 post which a net due of Rs. 22,43,224/- remained pending to be received. As alleged by the petitioner, the respondent failed to settle the outstanding dues towards the applicant even after several follow-ups post which the Applicant served a demand notice dated 20.02.2019 under Section 8 of the Insolvency and Bankruptcy Code, 2016. Upon receipt of no response to the demand notice, a petition dated 13.03.2019, under Section 9 of the Insolvency and Bankruptcy Code, 2016 was filed before the National Company Law Tribunal, Mumbai Bench. The matter is pending before the Authority and the next date of hearing is 07.06.2022.
3. Kandarp Management Services Limited v/s. Reliance Web Store Limited (C.P. (IB) - 1076/2019)  
Kandarp Management Services Limited (hereinafter referred to as the "Petitioner") entered into a contract dated 01.04.2015 with M/s. Reliance Web Store Limited (hereinafter referred to as the "Respondent") for providing services related to address and credit verification for the respondent. Against the services provided by the Applicant, the last

payment made by the respondent towards the running account was on 11.08.2017 post which a net due of Rs. 54,65,641/- remained pending to be received. As alleged by the petitioner, the respondent failed to settle the outstanding dues towards the applicant even after several follow-ups post which the Applicant served a demand notice dated 20.02.2019 under Section 8 of the Insolvency and Bankruptcy Code, 2016 in response to which a reply dated 09.03.2019 was received from the Respondent. The Applicant filed petition dated 13.03.2019, under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, Mumbai Bench, claiming the reply of the respondent to be false. The matter is pending before the Authority and the next date of hearing is 07.06.2022.

## **PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY**

### **A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS**

#### **1) Litigation involving Criminal Laws**

NIL

#### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

#### **3) Disciplinary Actions by Authorities**

NIL

#### **4) Litigation involving Tax Liability**

Indirect Tax - NIL

Direct Tax

#### **Reliable Data Service Limited (Promoter):**

1. M/s. Reliable Data Service Limited (hereinafter referred to as “the Assessee”) had filed its Income Tax Return for A.Y. 2018-19 and the same was selected for scrutiny an a demand of Rs. 2,09,390/- was raised against the assessee vide an order passed under section 143(3) of the Income Tax Act, 1961 dated 25.01.2021 bearing order no. ITBA/AST/S/143(3)/2020-21/1030084598(1). Aggrieved by the order of the Assessing Officer, the Assessee preferred an appeal under section 246A of the Act with the Commissioner of Income Tax (Appeal), Central Delhi vide application dated 24.02.2021 filed vide acknowledgement no. 273046691240221. The same is pending with the concerned authority.
2. As per details available on the website of Income Tax Authorities, a notice u/s. 154 of the Income Tax raising a demand of Rs. 4,49,050/- against M/s Reliable Data Service Limited (hereinafter referred to as “the Assessee”) vide demand reference no, 2021201937001105462C dated 11.05.2021 have been raised for A.Y. 2019-20. The Assessee has vide its response dated 02.07.2021 disagreed with the demand and post this no further communication has been received against the Assessee.
3. As per details available on the Website of Income Tax Authority following notices are pending for proceedings against M/s. Reliable Data Services Limited (hereinafter referred to as “the Assessee”):
  - a. An adjustment notice u/s. 143(1)(a) had been issued against the Assessee. However no response in respect of same could be submitted and the notice has now been closed for submission of response on 20.09.2018.
  - b. A defective notice u/s. 139(9) for A.Y. 2019-20 bearing distinctive no. CPC/1920/G5/1968668418 dated 20.02.2020 has been issued against the Assessee. The assessee has submitted its response in respect of the notices post which no communication has been received from the department till date.

#### **5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES**

**A. LITIGATION AGAINST OUR SUBSIDIARIES**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR SUBSIDIARIES**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled “Management’s Discussion & Analysis of Financial Conditions & Results of Operations” beginning on page 167 there have been no material developments that have occurred after the Last Balance Sheet Date.

**OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on December 31, 2021: -

Name	Balance as on 31.12.2021 (in Lakhs)
Total Outstanding dues to Micro and Small & Medium Enterprises	-
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	661.77

## **GOVERNMENT AND OTHER APPROVALS**

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### **Approvals In Relation to Our Company's incorporation**

1. Certificate of Incorporation dated February 07, 2001 from the N.C.T. of Delhi & Haryana, under the Companies Act, 1956 as "DYNAMIC RESTRUCTURING MANAGEMENT SERVICES PRIVATE LIMITED" (Corporate Identification No.: U74899DL2001PTC109565)
2. Fresh Certificate of Incorporation dated March 23, 2010 pursuant to Change of the Name of the Company from "DYNAMIC RESTRUCTURING MANAGEMENT SERVICES PRIVATE LIMITED" to "KANDARP MANAGEMENT SERVICES PRIVATE LIMITED" bearing registration no. U74899DL2001PTC109565 issued by the National Capital Territory of Delhi and Haryana.
3. Fresh Certificate of Incorporation dated December 09, 2021 pursuant to Change of the Name of the Company from "KANDARP MANAGEMENT SERVICES PRIVATE LIMITED" to "KANDARP DIGI SMART BPO PRIVATE LIMITED" bearing registration no. U74899DL2001PTC109565 issued by the Registrar of Companies, Delhi.
4. Fresh Certificate of Incorporation dated March 22, 2022 from the Registrar of Companies, Delhi, consequent to conversion of the Company "KANDARP DIGI SMART BPO PRIVATE LIMITED" to "KANDARP DIGI SMART BPO LIMITED" (Corporate Identification No. - U74899DL2001PLC109565)

### **Approvals in relation to the Issue**

#### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on April 01, 2022 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated April 11, 2022, under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated June 22, 2022 and [●] authorized our Company to take necessary action for filing the Draft Prospectus and Prospectus respectively with NSE EMERGE.

#### **Approvals from Stock Exchange**

1. Our Company has received in- principle listing approval from the NSE EMERGE dated [●] for listing of Equity Shares issued pursuant to the issue.

#### ***Other Approvals***

1. The Company has entered into a tripartite agreement dated [●] with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited, for the dematerialization of its shares.

2. The Company has entered into an agreement dated [●] with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited, for the dematerialization of its shares.

### Approvals/Licenses/Permissions in relation to our Business

#### *Tax Related Approvals*

S.No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	Not Applicable	AABCD6517D	Income Tax Department	07.02.2001	Valid till Cancelled
2.	Tax Deduction Account Number (TAN)	Kandarp Digi Smart BPO Limited, GF-22, Hans Bhawan, Bahadur Saha Zafar Marg, Central Delhi, New Delhi – 110002 Delhi, India	DELD08158D	Income Tax Department	05.04.2022	Valid till Cancelled
3.	GST Registration Certificate, Delhi	Kandarp Digi Smart BPO Limited, B-669, MIG Flats, East of Loni Road, New Delhi – 110093, Delhi, India	07AABCD6517D1Z0	Goods and Services Tax department	19.04.2022	Valid till Cancelled
4.	GST Registration Certificate, UP	Kandarp Digi Smart BPO Limited, C-69, Sector - 2, Noida - 201301, Uttar Pradesh, India	09AABCD6517D1ZW	Goods and Services Tax department	22.04.2022	Valid till Cancelled
5.	GST Registration Certificate, Tamil Nadu	Kandarp Management Services Limited, Nandanam Extention, 13, First Street, Nandham S.O, Chennai - 600035, Tamil Nadu, India	33AABCD6517D1Z5	Goods and Services Tax department	24.06.2021	Valid till Cancelled

#### *Other Approvals*

S.No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	ISO 9001:2015	Kandarp Management Services Private Limited, C69, Sector 2, Noida - 201301, Uttar Pradesh, India	INQ/UP 6405/0621	Paramount Quality Certifications, London, United Kingdom	14.06.2021	13.06.2024

#### **Registrations related to Labour Laws:**

S.No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	MSME	Kandarp Digi Smart BPO Limited, GF-22, Hans Bhawan, Bahadur Saha Zafar	UDYAM-DL-03-0003479	Ministry of Micro Small & Medium Enterprises, Delhi	09.12.2020	Valid till Cancelled



		Marg, Central Delhi, New Delhi – 110002 Delhi, India				
2.	Registration under State Insurance Act (ESIC)	Kandarp Management Services Private Limited, B-669, MIG Flats, East of Loni Road, New Delhi – 110093, Delhi, India	10001159760001017	Employees' State Insurance Corporation, Delhi	25.02.2012	Valid till Cancelled
3.	Registration under the Employees Provident fund (EPF)	Kandarp Management Services Private Limited, B-669, MIG Flats, East of Loni Road, New Delhi – 110093, Delhi, India	DSSHD/0938845/000	Employees' Provident Fund Organization, Delhi	10.04.2012	Valid till Cancelled

### Intellectual Property

#### Domain Name

S.No	Domain Name	Sponsoring Registrar and ID	Registrant Name	Creation Date	Registry Expiry Date
1.	<a href="https://www.kdsbpo.com/">https://www.kdsbpo.com/</a>	Registry Domain ID: 2665527717_DOMAIN_COM-VRSN Registrar IANA ID: 303	Registrar URL: www.publicdomainregistry.com  Registrant Name: Dhiraj Grover Registrant Organization: Authentic Healthcare Service Pvt. Ltd.	02.01.2022	02.01.2023

#### Approval/License pending for Application:

Nature of Registration	Act	Issuing Authority
Shop & Establishment for Registered Office situated at GF-22 Hans Bhawan, Bahadur Saha Zafar Marg, New Delhi-110002, Delhi, India	The Delhi Shops Act, 1954	Labour Commissioner, Government of NCT of Delhi
Shop & Establishment for Corporate Office situated at C- 69, C Block, Sector 2, Noida - 201301, Uttar Pradesh, India	Uttar Pradesh Shops and Commercial Establishment Act, 1962	Department of Labour, Uttar Pradesh
Shop & Establishment for Branch Office situated at Old No. 7, New No. 13, First Street, Nandanam Extention, Chennai – 600035, Tamil Nadu, India	The Tamil Nadu shops and establishments act, 1947	Labour Department, Government of Tamil Nadu

## **INFORMATION WITH RESPECT TO GROUP COMPANIES**

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated April 20, 2022 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfills both the below mentioned conditions: -

- i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations; and
- ii. Our Company has entered into one or more transactions with such company in in any of the last three financial years and stub period as the case of the company as per Restated Financial Statements.

Based on the above, the following Companies are identified as our Group Companies: -

1. Authentic Healthcare Services Pvt. Ltd.
2. Ascent Keyboardlabs Technologies Pvt. Ltd.
3. Authentic developers Pvt. Ltd.
4. Sharp Eagle Investigation Pvt. Ltd.
5. Vibrant Educare Pvt. Ltd.
6. RDS Allied Services Pvt. Ltd.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Company for the previous three financial years, extracted from its audited financial statements (as applicable) is available at the website indicated below.

Our Company is providing a link to such website solely to comply with the requirements specified under the SEBI ICDR Regulation.

### **Details of our Group Companies:**

#### **1. AUTHENTIC HEALTHCARE SERVICES PRIVATE LIMITED (AHSPL)**

##### ***Corporate Information***

Authentic Healthcare Services Private Limited was incorporated on January 15, 2009 under the Companies Act, 1956 as a Private Limited Company, bearing Registration No. 186680. The CIN of Authentic Healthcare Services Private Limited is U85100DL2009PTC186680. The Registered Office is situated at GF-22, Hans Bhawan, 1, Bahadur Shah ZafarMarg, ITO New Delhi-110002 India.

##### ***Financial Information***

The details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of AHSPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 available in terms of the SEBI ICDR Regulations are available on its website at [www.kdsbpo.com](http://www.kdsbpo.com)

#### **2. ASCENT KEYBOARDLABS TECHNOLOGIES PRIVATE LIMITED (AKTPL)**

##### ***Corporate Information***

Ascent Keyboardlabs Technologies Private Limited was incorporated on May 10, 2012 under the Companies Act, 1956 as a Private Limited Company, bearing Registration No. 235676. The CIN of Ascent Keyboardlabs Technologies Private Limited is U72900DL2012PTC235676. The Registered Office is situated at GF-22, Hans Bhawan 1, Bahadur Shah ZafarMarg New Delhi, Delhi-110002.

### ***Financial Information***

The details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of AKTPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 available in terms of the SEBI ICDR Regulations are available on its website at [www.kdsbpo.com](http://www.kdsbpo.com)

### **3. AUTHENTIC DEVELOPERS PRIVATE LIMITED (ADPL)**

#### ***Corporate Information***

Authentic Developers Private Limited was incorporated on February 01, 2010 under the Companies Act, 1956 as a Private Limited Company, bearing Registration No. 198524. The CIN of Authentic Developers Private Limited is U70109DL2010PTC198524. The Registered Office is situated at GF-22, Hans Bhawan 1, Bahadur Shah Zafar Marg New Delhi, Delhi-110002.

#### ***Financial Information***

The details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of ADPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 available in terms of the SEBI ICDR Regulations are available on its website at [www.kdsbpo.com](http://www.kdsbpo.com)

### **4. SHARP EAGLE INVESTIGATION PRIVATE LIMITED (SEIPL)**

#### ***Corporate Information***

Sharp Eagle Investigation Private Limited was incorporated on November, 30, 2011 under the Companies Act, 1956 as a Private Limited Company, bearing Registration No. 228135. The CIN of Sharp Eagle Investigation Private Limited is U74999DL2011PTC228135. The Registered Office is situated at Building No-5, Block No. 4, Jhandewalan Delhi, Central Delhi-110005.

#### ***Financial Information***

The details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of SEIPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 available in terms of the SEBI ICDR Regulations are available on its website at [www.kdsbpo.com](http://www.kdsbpo.com)

### **5. VIBRANT EDUCARE PRIVATE LIMITED (VEPL)**

#### ***Corporate Information***

Vibrant Educare Private Limited was incorporated on February, 09, 2009 under the Companies Act, 1956 as a Private Limited Company, bearing Registration No. 187394. The CIN of Vibrant Educare Private Limited is U80904DL2009NPL187394. The Registered Office is situated GF-22, Hans Bhawan 1, Bahadur Shah Zafar Marg, ITO, New Delhi, Delhi-110002 India.

#### ***Financial Information***

The details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of VEPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 available in terms of the SEBI ICDR Regulations are available on its website at [www.kdsbpo.com](http://www.kdsbpo.com)

### **6. RDS Allied Services Private Limited (RDSPL)**

#### ***Corporate Information***

RDS allied Services Private Limited was incorporated on April 10, 2012 under the Companies Act, 1956 as a Private Limited Company, bearing Registration No. 234155. The CIN of RDS allied Services Private Limited is U74999DL2012PTC234155. The Registered Office is situated B-6/3, 2nd Floor Rear Side, Above HDFC Bank, Asaf Ali Road New Delhi Delhi-110002 India.

## ***Financial Information***

The details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of RDSPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 available in terms of the SEBI ICDR Regulations are available on its website at [www.kdsbpo.com](http://www.kdsbpo.com)

## **Litigations**

Except as disclosed in the chapter titled ‘Outstanding Litigations and Material developments’ on page 175 of this Draft prospectus, there is no other pending litigations against our Group Companies which can have a material impact on our Company.

### **Common Pursuits**

As on the date of this Draft Prospectus, our Promoter Company, namely Reliable Data Services Limited and our Group Companies are not engaged in similar line of business.

## **Related business transactions within our Group Companies and significance on the financial performance of the Company**

Except as disclosed in the Related Party Transactions in the chapter titled “Financial Information of our company” on page 134 of this Draft prospectus, there are no other related business transactions between Group Companies and our company.

## **Business Interest**

Except as disclosed in the Related Party Transactions in the chapter titled “Financial Information of our company” on page 134 of this Draft prospectus, our Group Companies do not have any business interest in our company.

For further details on risks in relation to transactions being entered into with related parties, see “Risk Factors”-We have in the past entered into related-party transactions and may continue to do so in the future” on page 20 of this Draft Prospectus.

## **Nature and Extent of Interest of Group Companies**

### ***a) In the promotion of our Company:***

Our Group Companies does not have any interest in the promotion of our Company.

### ***b) In the properties acquired or proposed to be acquired by our Company in the past three years before filing the Prospectus with stock exchange:***

Our Group Companies does not have any interest in the properties acquired or proposed to be acquired by our Company in the past three years before filing the Draft Prospectus with Stock Exchange

### ***c) In transactions for acquisition of land, construction of building and supply of machinery:***

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

## **SECTION XII - OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

#### **Fresh Issue**

This Issue in terms of this Draft Prospectus has been authorized by the Board of Directors pursuant to a resolution dated April 01, 2022 and by the shareholders pursuant to a special resolution in an Extra Ordinary General Meeting held on April 11, 2022 under section 62 (1) (c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the NSE Emerge for using its name in the Draft Prospectus/Prospectus pursuant to letter dated [●] NSE is the Designated Stock Exchange.

#### **Prohibition by the SEBI or other Governmental Authorities**

Our Company, our Group Companies, our Promoters, our Promoter Group, our Directors, Person in control of Promoter or Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

#### **Association with Securities Market**

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

#### **Prohibition by RBI**

Neither our Company, our subsidiary, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “Outstanding Litigations And Material Development” beginning on page 175 of the Draft Prospectus.

#### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Draft Prospectus.

#### **Eligibility for the Issue**

Our Company is eligible in terms of Regulations 230 of SEBI ICDR Regulations for this Issue\*.

\* The Company will comply with requirement of Regulation 230 before filing of Prospectus with ROC.

Our Company is eligible for the Issue in accordance with the Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, whereby, an issuer whose post issue paid-up capital is less than ten crore rupees. Our Company shall issue shares to the public and has proposed to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of NSE i.e. NSE EMERGE).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of NSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue was 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 42 of this Draft Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, we will file Draft Prospectus with SEBI as well as stock exchange (s). However, Board shall not issue any observation pursuant to Regulation 246(2) of the SEBI (ICDR) Regulations.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the LM and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 42 of this Draft Prospectus.
5. The Post Issue paid up capital of the company will be less than ₹ 25 Crore.
6. The Company has a track record of atleast 3 years as on the date of filling Draft Prospectus.
7. The Net-worth of our Company is Positive as per latest audited financial statement.
8. Our Company’s net worth and Operating Profit (earnings before interest, depreciation and tax), based on the Restated Financial Statements included in this Draft Prospectus as on period ended December 31, 2021 and as at Fiscals ended March 31, 2021, March 31, 2020 and 2019 are set forth below:

**(Rs. in Lakhs)**

Particulars	December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Net Worth	772.53	700.58	690.02	578.48
Operating Profit	121.03	48.21	199.83	233.48

(i) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

(ii) Operating Profit has been defined as the Earnings before interest, depreciation and tax from operations.

9. The Company will mandatorily facilitate trading in demat securities and will enter into agreement with both the depositories.
10. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
11. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
12. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
13. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.
14. Our Company has a website i.e., [www.kdsbpo.com](http://www.kdsbpo.com)

**Other Disclosures:**

- 1) We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company in the Draft Prospectus.

- 2) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- 3) We have Disclosed the details of the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter “Outstanding Litigations & Material Developments” on page no. 175 of this Draft Prospectus.
- 4) We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter “Outstanding Litigation & Material Developments” on page no. 175 of this Draft Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the SME platform. NSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated [●] with NSDL and agreement dated [●] with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters will be in dematerialized form.
- Our Company has made firm arrangements of finance through verifiable means towards seventy-five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals – Not required as the object of Issue is working capital requirement, general corporate purpose and issue expenses, for details, please refer the chapter “Objects of the Issue” on page no. 67 of this Draft Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●]**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

*Note:*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Delhi in terms of sections 26, 32 and 33 of the Companies Act,*

#### **Disclaimer from our Company and the Lead Manager**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the MOU entered between the LM (Beeline Capital Advisors Private Limited) and our Company on April 21, 2022 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Delhi.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus



may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **Disclaimer Clause under Rule 144a of the U.S. Securities Act**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **Disclaimer Clause of the SME Platform of NSE**

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter [●] dated [●] permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

#### **Filing**

This Draft Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.

The copy of the Draft Prospectus will not have filed with SEBI and SEBI will not issue any observation on the Draft Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, 4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019, Delhi, India.

#### **Listing**

The Equity Shares of our Company are proposed to be listed on NSE Emerge. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on NSE Emerge (NSE Emerge).

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within

the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

### **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company\*; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*\* The consent will be taken while registering the Prospectus with Roc.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s A Y & Co., Chartered Accountants, Peer Review Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

### **Experts Opinion**

Except for the reports in the section “Financial information of our Company” and “Statement of Possible Tax Benefits” on page 134 and 74 of this Draft Prospectus from the Peer Review Auditors and Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

### **Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or abroad the five (5) years preceding the date of this Draft Prospectus except as disclosed in this Draft Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “Capital Structure” beginning on page 50 of this Draft Prospectus.

### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission

or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

**Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company**

Except as stated in the chapter titled “Capital Structure” beginning on page 50 of this Draft Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange except our Corporate Promoter i.e. Reliable Data Services Limited which is listed on NSE Emerge.

Reliable Data Services Limited came with initial Public Offer in September-October, 2017 for 26,00,000 Equity Shares of face value of Rs. 10/- for a cash at price of Rs. 57/- (including premium of Rs. 47/- per equity share) aggregating to Rs. 1482.00 Lakhs. The details of Promise vis-a-vis Performance of Reliable Data Services Limited is as follows and object of the issue as mentioned in the prospectus of Reliable Data Services Limited were met.

<b>Fund Raised (Object of the Issue)</b>	<b>Amount (₹ in Lakhs)</b>	<b>Fund Deployed/Performance (Proceeds till March 31, 2019)</b>
Working Capital Requirement	500.00	Yes
Pre-payment of Loan	596.07	Yes
Capital Expenditure	248.48	Yes
General Corporate Purpose	40.00	Yes
Public Issue Expenses	97.45	Yes

(Source: Fund deployment certificate issued by Statutory Auditor M/s. B Manna & Co. vide certificate dated June 11, 2020 bearing UDIN 20061940AAAAAH9782)

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

**Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

**Option to Subscribe**

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

**Stock Market Data of the Equity Shares**

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

**Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on April 20, 2022. For further details on the Stakeholders Relationship Committee, please refer to section titled “Our Management” beginning on page 110 of this Draft Prospectus.

**Our Company has appointed Ms. Niharika Gupta, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Ms. Niharika Gupta**

C- 69, C Block, Sector 2, Noida - 201301,  
Uttar Pradesh, India

**Tel. No.:** +91-120-2543069

**E-mail:** [cs@kdsbpo.com](mailto:cs@kdsbpo.com)

**Website:** [www.kdsbpo.com](http://www.kdsbpo.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management except our Corporate Promoter I.e. Reliable Data Services Limited listed on NSE Emerge. There is no complaint pending on the date of filing of this Draft Prospectus in respect of our Corporate Promoter.

### **Change in Auditors during the last three (3) years**

Except as disclosed in Chapter titled “General Information” beginning on Page 42 of this Draft Prospectus; there are no changes in the Auditors of the company during the last three years.

### **Capitalization of Reserves or Profits**

Except as disclosed under section titled “Capital Structure” beginning on page 50 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

### **Revaluation of Assets**

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Prospectus.

### **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “Statement of Possible Tax Benefits” beginning on page 74 of this Draft Prospectus.

### **Purchase of Property**

Other than as disclosed in Section “Business Overview” on page 88 of the Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Prospectus, other than property, in respect of which:

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

### **Servicing Behavior**

Except as stated in this Draft Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

### **Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “Our Management” beginning on page 110 and Restated Statement of Related Party Transactions” under chapter titled “Financial Information of our Company” beginning on page 134 of the Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

### **Exemption from complying with any provision of security laws, if any granted by SEBI**

As on date of Prospectus, our company has not availed any exemption from complying with any provision of security laws granted by SEBI

### **Statement on Price Information of Past Issues handled by Beeline Capital Advisors Private Limited:**

This being the first issue managed by the Lead Manager, the stated disclosures are not applicable.

### **Track Record of past issues handled by Beeline Capital Advisors Private Limited**

As on date of this Draft Prospectus, there are no issue handled by Beeline Capital Advisors Private Limited which is listed on NSE and BSE, Hence Track Records of Past Issues is not applicable.

Although, Beeline Capital Advisors Private Limited has filed Draft Prospectus of Aristo Bio-Tech and Lifescience Limited, Viviana Power Tech Limited and Jay Jalaram Technologies Limited with Emerge Platform of National Stock Exchange of India Limited.

**Note:**

**Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.**

## **SECTION XIII – ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

For details in relation to Issue expenses, see “Objects of the Issue” and “Other Regulatory and Statutory Disclosures” on pages 67 and 186, respectively.

#### **Authority for the Issue**

The present Public Issue of upto 27,00,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on April 01, 2022 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on April 11, 2022 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to "Description of Equity Shares and terms of the Articles of Association" on page 250 of the Draft Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “Dividend Policy” on page 133 of the Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a Face Value of ₹10.00 each are being offered in terms of the Draft Prospectus at the price of [●] per equity Share (including premium of [●] per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis for Issue Price” on page 72 of the Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;

- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled “Description of Equity Shares and terms of the Articles of Association” beginning on page 250 of the Draft Prospectus.

### **Allotment only in Dematerialised Form**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

1. Tripartite agreement dated [●] between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
2. Tripartite agreement dated [●] between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

### **Minimum Application Value, Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Emerge from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

*Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.*

### **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders in case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.



Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

**Withdrawal of the Issue**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

**Period of Operation of Subscription List of Public Issue**

<b>ISSUE OPENS ON</b>	[●]
<b>ISSUE CLOSSES ON</b>	[●]

**Minimum Subscription**

*In accordance with Regulation 260 (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than Rs. 1,00,000 (Rupees One Lakh) per application.*

As per section 39 of the Companies Act 2013, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Exchange.

### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 50 of the Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer sub-heading " Description of Equity Shares and terms of the Articles of Association " on page 250 of the Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **Allotment of Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

### **Migration to Main Board**

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹ 25 Crore by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board or
- If the Paid-Up Capital of our Company is more than ₹10.00 Crore and up to ₹25.00 Crore, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of NSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## Market Making

The shares offered through this Issue are proposed to be listed on the SME platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements for this Issue" on page 42 of the Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto ₹20 Crore	25%	24%

Further, the Market Maker shall give (2) Two ways quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

## New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

## Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Delhi.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is less than Rs. 10 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of NSE i.e. NSE Emerge). For further details regarding the salient features and terms of such an issue please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page 196 and 203 of the Draft Prospectus.

The Issue comprise of a Public Issue of upto 27,00,000 Equity Shares of Face Value of ₹10/- each fully paid (The “Equity Shares”) for cash at a price of [●] per Equity Shares (including a premium of [●] per equity share) aggregating to [●] lakhs (“the issue”) by our Company of which [●] Equity Shares of [●] each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of [●] Equity Shares of [●] each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute [●] and [●] respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Fixed Price Issue Process

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	[●] Equity Shares	[●] Equity Shares
Percentage of Issue Size available for allocation	[●] of the Issue Size	[●] of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to “Issue Procedure” on page 203 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	<p><b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of [●] each, such that the Application Value exceeds ₹2.00 Lakh.</p> <p><b><u>For Retail Individuals Investors:</u></b> [●] Equity Shares at an Issue price of [●] each</p>	[●] Equity Shares
Maximum Application Size	<p><b><u>For Other than Retails Individual Investors:</u></b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹2,00,000/-</p>	[●] Equity Shares
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Application lot Size	[●] Equity Shares thereafter Equity Shares and in multiples of [●]	

Terms of Payment	The entire Application Amount shall be blocked by the SCSBs in the bank account of the Applicants, or by the Sponsor Banks through UPI mechanism (for RIIs using the UPI Mechanism) at the time of the submission of the Application Form
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This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “*Issue Structure*” on page 201 of the Draft Prospectus.

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue ‘the allocation’ in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
  - (i) Individual Applicant other than retail Individual Investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

***If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.***

### **Withdrawal of the Issue**

The Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

### **Issue Programme:**

<b>ISSUE OPENING DATE</b>	[●]
<b>ISSUE CLOSING DATE</b>	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Application Form. The General Information Document is available on the websites of the Stock Exchanges and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by RIIs through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by Retail Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIIs (“**UPI Phase III**”), as may be prescribed by SEBI. The issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, has introduced certain additional measures for streamlining the process of initial public issues and redressing investor grievances. This circular is effective for initial public issues opening on or after May 01, 2021, except as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is applicable for initial public offers opening on or after May 1, 2021 except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of the Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. If the Issue is made under UPI Phase III, the same will be advertised in all editions of the English national daily newspaper, all editions of the Hindi national daily newspaper, regional edition of the regional daily newspaper on or prior to the Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their website.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs.100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or

maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

Further, our Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

### ***Phased implementation of Unified Payments Interface***

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issues of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and the continuation of this phase has been extended until March 31, 2020. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs issueing facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Investors into the UPI payment mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement f or SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Applicants to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the LM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the LM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges, and the LM. All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI applicants using the UPI payment mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

## FIXED PRICE ISSUE PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

### Electronic registration of Bids

- a) The Designated Intermediary registered the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries uploaded the Bids till such time as were permitted by the Stock Exchanges and as disclosed in this Draft Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges’ Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

## AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange (NSE) i.e. [www.nseindia.com](http://www.nseindia.com) at least one day prior to the Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue through intermediaries shall use only UPI payment mechanism for application. The application form submitted by NIIs and QIBs must provide applicant’s



bank account details and authorization to block funds in the relevant space provided in the Application Form. Further, Retail Individual Investors submitting application form using UPI shall mention the UPI of his/her own Bank account in the application form in the relevant space. The Application Forms that do not contain applicant's bank account details or UPI of own Bank Account, as the case may be, are liable to be rejected. All the investors were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection. RIIs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Registered Brokers, RTAs or CDPs. RIIs authorising an SCSB to block the Application Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Applicants must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Application Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Application

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

*\*excluding electronic Application Forms downloaded by the Applicants.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Application details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic applying system of the Stock Exchanges. For RIIs using UPI Mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. For ASBA Forms (other than RIIs) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Applicants has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic Application with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Application details already uploaded.

For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Application entered in the Stock Exchange bidding platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Banker to an Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

The Sponsor Bank will undertake a reconciliation of Application responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Application requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and Issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with Issuer banks and Sponsor Banks on a continuous basis.

## **SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear

a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked Bank Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained
- ii. A syndicate member (or sub-syndicate member)
- iii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- iv. A depository participant (“DP”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. A registrar to an issuer and share transfer agent (“RTA”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retail investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), shall enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).  Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.

Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

Stock exchange(s) shall validate the electronic application details with depository's records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or Subsequent notice of such changes to the Applicants.

## WHO CAN APPLY?

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

**Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

- |                                       |  |
|---------------------------------------|--|
| 1. Minors (except under guardianship) | 2. Partnership firms or their nominees |
| 3. Foreign Nationals (except NRIs)    | 4. Overseas Corporate Bodies           |

*The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.*

**PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER**

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Lead Manager and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the Lead Manager or any associates of the Lead Manager, except Mutual Funds sponsored by entities which are associates of the Lead Manager or insurance companies promoted by entities which are associate of Lead Manager or AIFs sponsored by the entities which are associate of the Lead Manager or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the Lead Manager nor; (ii) any "person related to the Promoter and members of the Promoter Group" shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoter and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

#### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company.

Provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds.

- No mutual fund under all its schemes should own more than 10% of any Company’s paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications, provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

#### **APPLICATIONS BY ELIGIBLE NRIS ON REPATRIATION BASIS**

**ELIGIBLE NRIS APPLYING ON A REPATRIATION BASIS ARE ADVISED TO USE THE APPLICATION FORM MEANT FOR NON-RESIDENTS (BLUE IN COLOUR).**

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI’s subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI’s on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application on a repatriation basis by using the Non Resident Forms, should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) or ASBA Accounts.

**Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.**

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

#### **APPLICATIONS BY ELIGIBLE FPIs INCLUDING FIIs ON REPATRIATION BASIS**

#### **FPIs INCLUDING FIIs WHO WISH TO PARTICIPATE IN THE ISSUE ARE ADVISED TO USE THE APPLICATION FORM FOR NON- RESIDENTS (BLUE IN COLOUR).**

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - (a). A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - (b). Nothing contained in clause (a) shall apply to:
    - i. Any transactions in derivatives on a recognized stock exchange;
    - ii. Short selling transactions in accordance with the framework specified by the Board;
    - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - iv. Any other transaction specified by the Board.
  - (c). No transaction on the stock exchange shall be carried forward;
  - (d). The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board;

Provided nothing contained in this clause shall apply to:

- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
- ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;

- iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
- v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
- vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- viii. Any other transaction specified by the Board.

(e). A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

- 4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
- 8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
  - (a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
  - (b). Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

- 9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
- 10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
- 11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
15. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.
17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Further, the SEBI, AIF Regulations prescribes, among others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all such Applicants will be treated on the same basis with other categories for the purpose of allocation.



All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The “IRDA Investment Regulations”), are broadly set forth below:

- (a.) Equity shares of a Company: the least of 10% of the investee Company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b.) The entire group of the investee Company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c.) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **APPLICATION BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company and the Selling Shareholders in consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “Banking Regulation Act”), and Master Direction –Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank’s paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank’s interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non- financial services company in excess of 10% of such investee company’s paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Applications by banking companies should not exceed the investment limits prescribed for them under the applicable laws

## APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

## APPLICATIONS BY SCSBS

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

## APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a.) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b.) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c.) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.
- d.) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

***The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.***

## INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE

### ASBA PROCESS

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

### CHANNELS OF SUBMISSION OF APPLICATION FORMS

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of finds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her	Not Applicable

Category of Investor	Channel I	Channel II	Channel III	Channel IV
			ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

### **PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR**

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

#### **Application and validation process**

- (a). submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b). RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- (c). The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- (d). Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.

- (e). Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- (f). SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

### **The Block Process**

- (a). Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- (b). The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- (c). The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- (d). The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.
- (e). Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs’ bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- (f). The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- (g). The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- (h). RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

### **NUMBER OF APPLICATIONS PER BANK ACCOUNT**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

### **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked

Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **MODE OF PAYMENT**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

## **UNBLOCKING OF ASBA ACCOUNT**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

## MAXIMUM AND MINIMUM APPLICATION SIZE

The applications in this Issue, being a fixed price issue, will be categorized into two;

### 1. For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

### 2. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.**

## RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

## INFORMATION FOR THE APPLICANTS

- a.) The Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.

- c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

#### PRE-ISSUE ADVERTISEMENT

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English national daily newspaper; one widely circulated Hindi national daily newspaper and one widely circulated Gujarati newspaper.

#### SIGNING OF UNDERWRITING AGREEMENT

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on [●]

#### FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

#### INFORMATION FOR THE APPLICANTS

- a.) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b.) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c.) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d.) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 5 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within two working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 5 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

#### INTEREST AND REFUNDS COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013



and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **GROUNDS FOR REFUND: NON-RECEIPT OF LISTING PERMISSION**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

#### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Draft Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

#### **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

#### **MODE OF REFUND**

Within six Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

#### **LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 6 Working Days of the Issue Closing Date.

#### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the

applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application by using UPI mechanism for payment.
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicants whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Application;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net Issue Size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not make Application if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

Applicants may note that forms not filled completely or correctly as per instructions provided in this Draft Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the BRLM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form.

Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;

**A. INSTRUCTION FOR FILLING THE APPLICATION FORM**

<b>COMMON APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Registered Office: Tel. No.:      Fax No. :      Email:      Website: Contact Person:      CIN:	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX
		<b>Application Form No.</b> <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>
<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	Mr. / Ms. <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	Address <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>
		Email <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>
		Tel. No (with STD code) / Mobile <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>
		<b>2. PAN OF SOLE/FIRST APPLICANT</b>
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		<b>6. INVESTOR STATUS</b>
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		<input type="checkbox"/> Individual(s) - IND
<b>4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")</b>		<input type="checkbox"/> Non-Resident Indians (Non-Repatriation Basis) - NRI
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price	<b>5. CATEGORY</b>	<input type="checkbox"/> Hindu Undivided Family* - HUF
(In Figures) <span style="border:1px solid black; display:inline-block; width:50px; height:15px;"></span> (In Words) <span style="border:1px solid black; display:inline-block; width:50px; height:15px;"></span>	<input type="checkbox"/> Retail Individual	<input type="checkbox"/> Bodies Corporate - CO
<b>ALLOTMENT WILL BE IN DEMAT MODE ONLY<sup>2</sup></b>	<input type="checkbox"/> Non-Institutional	<input type="checkbox"/> Banks & Financial Institutions - FI
<sup>1</sup> Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.	<input type="checkbox"/> QIB	<input type="checkbox"/> Mutual Funds - MF
<sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.		<input type="checkbox"/> National Investment Funds - NIF
		<input type="checkbox"/> Insurance Funds - IF
		<input type="checkbox"/> Insurance Companies - IC
		<input type="checkbox"/> Venture Capital Funds - VCF
		<input type="checkbox"/> Alternative Investment Funds - AIF
		<input type="checkbox"/> Others (Please Specify) - OTH
		<small>*HUF Should apply only through Karta (Application by HUF would be treated on par with individual)</small>
<b>7. PAYMENT DETAILS</b>		<b>PAYMENT OPTION : Full Payment</b>
Amount Blocked (₹ in Figures) <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	(₹ in words) <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	
ASBA Bank A/c No. <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>		
Bank Name & Branch		
OR		
UPI Id <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>		
(Maximum 45 characters)		
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.		
<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: ....., 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1) <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	
	2) <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	
	3) <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	
TEAR HERE		
<b>LOGO</b>	<b>XYZ LIMITED INITIAL PUBLIC ISSUE - R</b>	<b>Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA</b>
		<b>Application Form No.</b> <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>
		PAN of Sole/First Applicant <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>
DPID / CLID <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	ASBA Bank & Branch <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	<b>Stamp &amp; Signature of SCSB Branch</b>
Amount Blocked (₹ in figures) <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	ASBA Bank A/c No./UPI Id <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	
Received from Mr./Ms. <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	Telephone / Mobile <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	
	Email <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	
TEAR HERE		
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	In Figures	In Words
No. of Equity Shares		
Amount Blocked (₹)		
ASBA Bank A/c No. / UPI Id: <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	
Bank & Branch: <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	<b>Name of Sole / First Applicant</b>	
	<b>Acknowledgement Slip for Applicant</b>	
	<b>Application Form No.</b> <span style="border:1px solid black; display:inline-block; width:100px; height:15px;"></span>	
Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.		

<b>COMMON APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> Registered Office: Tel. No.: _____ Fax No.: _____ Email: _____ Website: _____ Contact Person: _____ CIN: _____	FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS
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<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	Application Form No. _____
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>
		Mr. / Ms. _____ 
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	Address _____ 
		_____ Email _____
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	Tel. No (with STD code) / Mobile _____
		<b>2. PAN OF SOLE/FIRST APPLICANT</b>

<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<b>6. INVESTOR STATUS</b>
	<input type="checkbox"/> Non-Resident Indians - NRI (Repatriation basis)
	<input type="checkbox"/> Foreign Institutional Investor - FII/
	<input type="checkbox"/> Foreign Portfolio Investor - FPI
	<input type="checkbox"/> Foreign Venture Capital Investor - FVCI
	<input type="checkbox"/> FII Sub Account Corporate / Individual - FIISA
	<input type="checkbox"/> Others - OTH (please specify)

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

<b>4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")</b>		<b>5. CATEGORY</b>	
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price		<input type="checkbox"/> Retail Individual	
(In Figures) _____	(In Words) _____	<input type="checkbox"/> Non-Institutional	
ALLOTMENT WILL BE IN DEMAT MODE ONLY <sup>2</sup>			
<sup>1</sup> Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly. <sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.			
		<input type="checkbox"/> QIB	

<b>7. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b>
Amount Blocked (₹ in Figures) _____	(₹ in words) _____
ASBA Bank A/c No. _____	
Bank Name & Branch _____	
OR	
UPI Id _____	
(Maximum 45 characters)	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1) _____	
	2) _____	
	3) _____	

TEAR HERE

<b>LOGO</b>	<b>XYZ LIMITED INITIAL PUBLIC ISSUE - NR</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. _____
DPID / CLID _____			PAN of Sole/First Applicant _____
Amount Blocked (₹ in figures) _____	ASBA Bank & Branch _____	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No./UPI Id _____			
Received from Mr./Ms. _____			
Telephone / Mobile _____	Email _____		

TEAR HERE

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>		In Figures	In Words	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	<b>Name of Sole / First Applicant</b>
	No. of Equity Shares				
	Amount Blocked (₹)				
	ASBA Bank A/c No. / UPI Id: _____				
Bank & Branch: _____					
					Application Form No. _____

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

### 1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### 2. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:

- a.) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b.) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c.) The exemption for the PAN Exempted Applicant is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d.) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e.) Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

### 3. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS

- a.) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- b.) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c.) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- d.) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

#### 4. FIELD NUMBER 4: APPLICATION OPTIONS

- a.) Since, this is the Fixed Price Issue and the Price has already been disclosed in the Prospectus, the Applicants should make application at the Issue Price only. For the purpose of this Issue, the Price has been Determined as [●] per equity shares (including premium of [●] per equity share).
- b.) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Issue Price as determined in terms of Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.
- c.) **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of [●] Equity Shares to ensure that the minimum Application value is not exceeding ₹ 2,00,000 and not less than ₹ 1,00,000. For Application made by QIBs and Non – Institutional Investors, minimum application of [●] Equity Shares and in multiples of [●] Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹ 2,00,000.
- d.) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

#### Maximum and Minimum Application Size

- e.) The Applicants may apply for the desired number of Equity Shares in multiple of [●] equity shares at Issue Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for [●] equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000.

In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected.

For NRIs, Application Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- f.) Application by QIBs and NIIs must be for [●] equity shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter, as may be disclosed in the Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to make application at Cut off Price.
- g.) RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.
- h.) In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- i.) An Application cannot be submitted for more than the net issue size.
- j.) The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

#### Multiple Applications

- k.) Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.
- l.) Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:

- i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.
- ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.

**m.) The following Applications may not be treated as multiple Applications:**

- i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.
- ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
- iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

**5. FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a.) The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b.) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c.) The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.
- d.) For Issue specific details in relation to allocation, Applicants may refer to the Prospectus.

**6. FIELD NUMBER 6: INVESTOR STATUS**

- a.) Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.
- b.) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c.) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d.) Applicants should ensure that their investor status is updated in the Depository records.

**7. FIELD NUMBER 7: PAYMENT DETAILS**

- a.) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b.) The full Application Amount shall be blocked based on the authorization provided in the Application Form.
- c.) RIIs who make application at Cut-off price shall be blocked on the Cap Price.



- d.) All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e.) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f.) Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

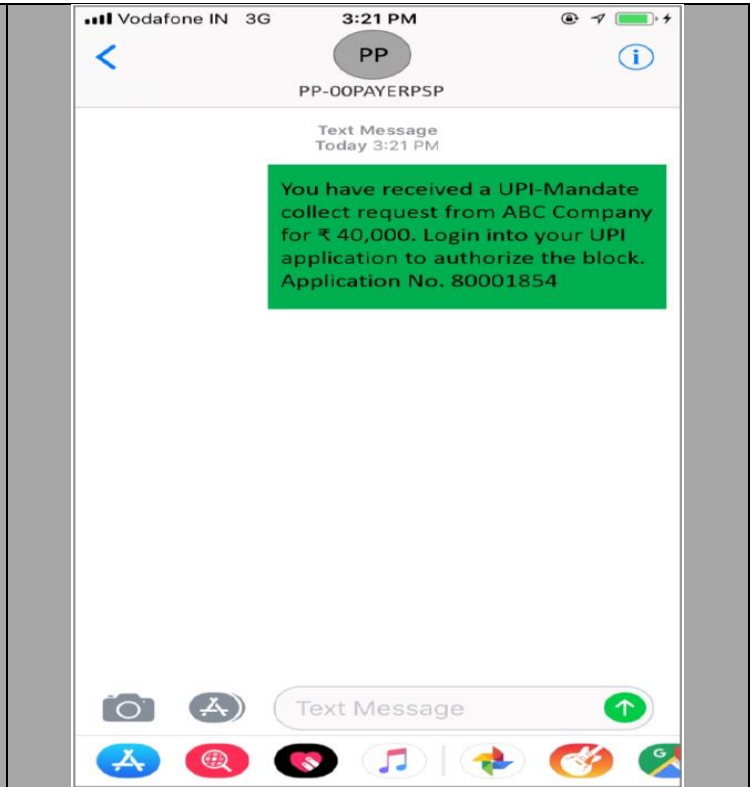
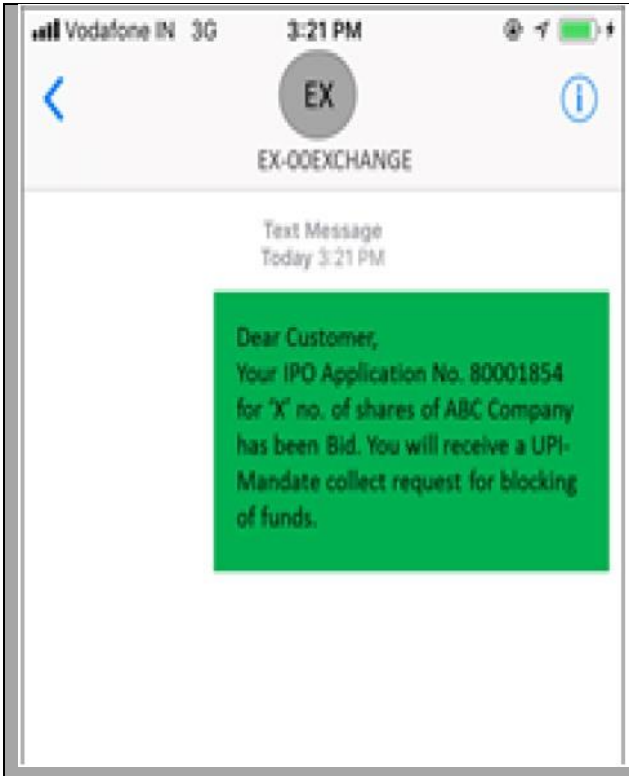
**Payment instructions for Applicants (other than Anchor Investors)**

- a.) From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

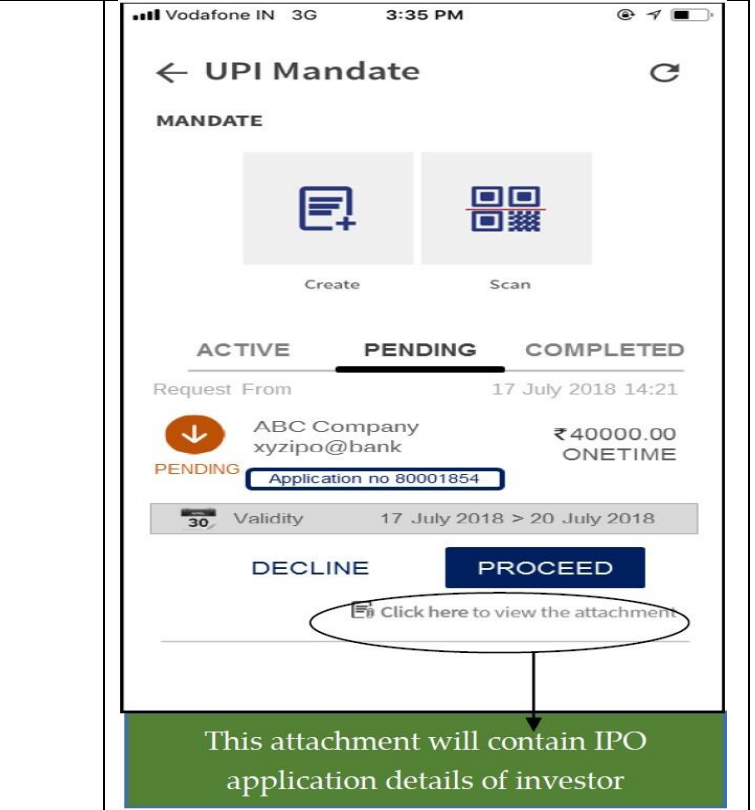
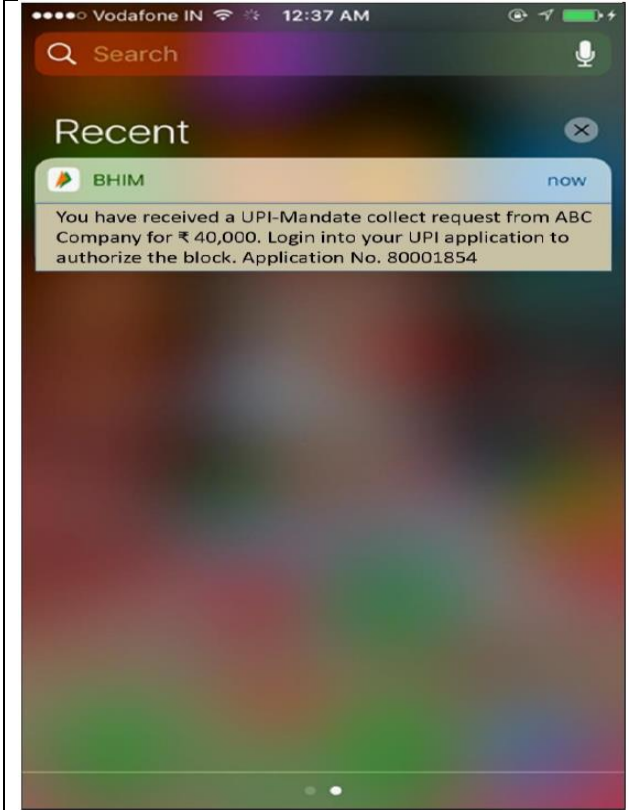
Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.		RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:

<b>ILLUSTRATIVE SMS</b>	<b>BLOCK REQUEST SMS TO INVESTOR</b>
-------------------------	--------------------------------------



**BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION      BLOCK REQUEST SMS TO INVESTOR**



**SAMPLE OF IPO DETAILS IN ATTACHMENT      POST VERIFICATION OF DETAILS ABOVE**

Secure | https://

### 1 Enter Details

**Investor Details**

Depository Name	DP ID	Client ID
NSDL	IN300513	14871468
Beneficiary No.	PAN Card	Investor's Name
-	AAMPF7581P	SHYAM SHARAM

**IPO Details**

Company Name	IPO Symbol	Bid Lot
IPO	SUPREMEENG	40000
Face Value	Maximum Price	Minimum Price
10.00	₹ 32.00	₹ 27.00
Cut Off Price	IPO Start Date	IPO End Date
₹ 32.00	20 July 2018	27 July 2018
Discount Amount	Discount Category	
NA	-	

Vodafone IN 3G 5:43 PM

## ← Create Mandate

TO

**ABC Company**

✓ xyzipo@bank **Verified Merchant**

Mandate Amount  
**₹ 40000.00**

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency  
**ONETIME**

Validity

Start Date	>	End Date
20 JULY 2018		27 JULY 2018

Users account will be debited within validity period.

REMARKS

Application no 80001834

[Click here to view the attachment](#)

**PROCEED**

### PRE-CONFIRMATION PAGE

Vodafone IN 3G 3:48 PM

Please check the below details as the amount will be **blocked** for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked

**Mandate Details**

To  
ABC Company

✓ xyzipo@bank

AMOUNT  
₹ 0000.00

FREQUENCY  
ONETIME

VALIDITY  
20 JULY 2018 to 27 JULY 2018


REMARKS  
Application no 80001854

**CANCEL** **CONFIRM**

### ENTERING OF UPI PIN

Vodafone IN 3G 1:39 AM

**CANCEL**

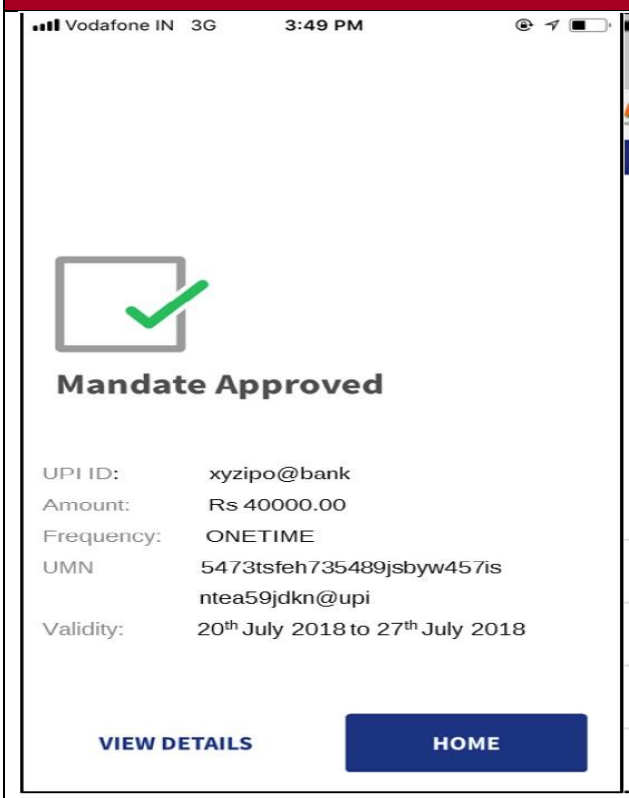
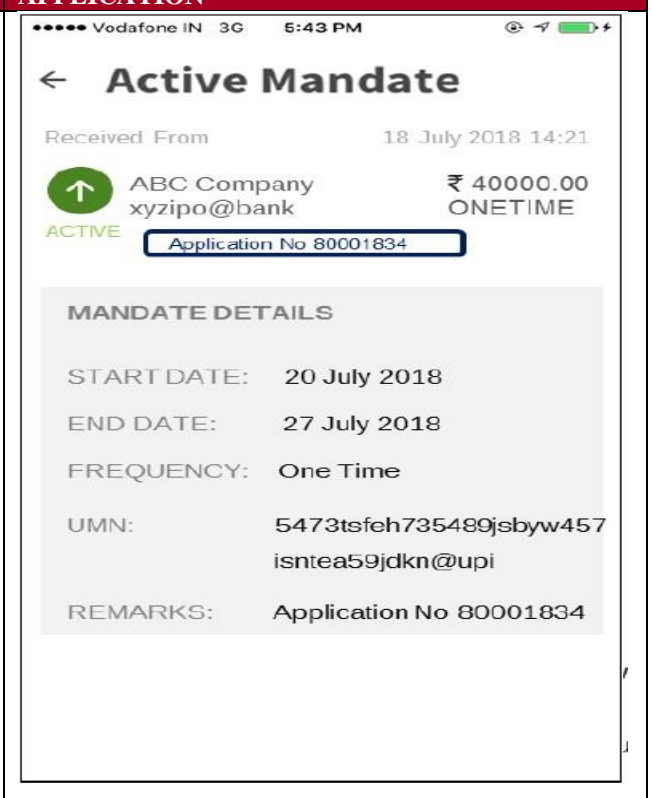
STATE BANK OF INDIA 

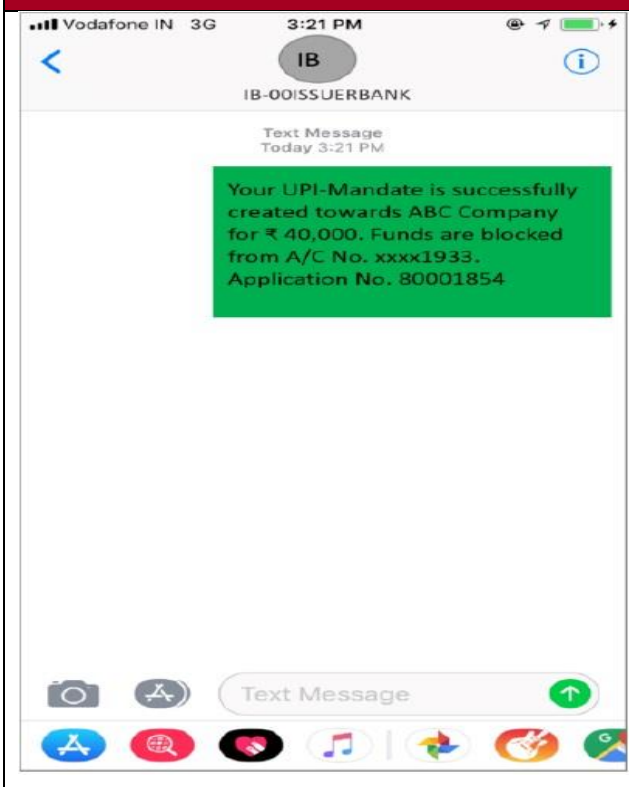

ABC Company ₹ 40000

**ENTER UPI PIN**

— — — —

1	2	3
4	5	6
7	8	9
✕	0	SUBMIT

CONFIRMATION PAGE	APPROVED MANDATES VISIBLE IN UPI APPLICATION
 <p><b>Mandate Approved</b></p> <p>UPI ID: xyzipo@bank            Amount: Rs 40000.00            Frequency: ONETIME            UMN: 5473tsfeh735489jsbyw457isntea59jdkn@upi            Validity: 20<sup>th</sup> July 2018 to 27<sup>th</sup> July 2018</p> <p><a href="#">VIEW DETAILS</a> <a href="#">HOME</a></p>	 <p><b>Active Mandate</b></p> <p>Received From: 18 July 2018 14:21</p> <p>ABC Company xyzipo@bank ₹ 40000.00 ONETIME</p> <p>ACTIVE Application No 80001834</p> <p><b>MANDATE DETAILS</b></p> <p>START DATE: 20 July 2018            END DATE: 27 July 2018            FREQUENCY: One Time            UMN: 5473tsfeh735489jsbyw457isntea59jdkn@upi            REMARKS: Application No 80001834</p>

BLOCK CONFIRMATION SMS TO INVESTOR	BLOCK CONFIRMATION APPLICATION INTIMATION
 <p>Text Message Today 3:21 PM</p> <p>Your UPI-Mandate is successfully created towards ABC Company for ₹ 40,000. Funds are blocked from A/C No. xxxx1933. Application No. 80001854</p>	 <p>Recent</p> <p>BHIM now</p> <p>Your UPI-Mandate is successfully created towards ABC Company for ₹ 40,000. Funds are blocked from A/C No. xxxx1933. Application No. 80001854</p>

b.) QIB and NII Applicants may submit the Application Form either;

- i. to SCSB in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
  - ii. in physical mode to any Designated Intermediary.
- c.) Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- d.) Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- e.) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- f.) Applicants should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- g.) **Applicants making application through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- h.) **Applicants making application directly through the SCSBs** should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i.) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- j.) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.
- k.) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.
- l.) Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).
- m.) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- n.) SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

## 8. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT

- a.) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with

reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.

- b.) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c.) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within four Working Days of the Issue Closing Date.

**Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI mechanism**

- d.) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- e.) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- f.) RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
- g.) The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.
- h.) Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- i.) Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- j.) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- k.) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and Subsequent debit in case of allotment.
- l.) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- m.) RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- n.) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.

- o.) Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

**Discount: NOT APPLICABLE**

**Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

**9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- a.) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b.) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- c.) Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

**10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a.) Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.
- b.) All communications in connection with Application made in the Issue should be addressed as under:
- i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.
  - ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.
  - iii. Applicants may contact the Company Secretary and Compliance Officer or Lead Manager in case of any other complaints in relation to the Issue.
  - iv. In case of queries relating to uploading of Application by a Syndicate Member, the Applicant should contact the relevant Syndicate Member.
  - v. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker
  - vi. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
  - vii. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
  - viii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;
- c.) The following details (as applicable) should be quoted while making any queries –
- i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
  - ii. name and address of the Designated Intermediary, where the Application was submitted; or

- iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.
- iv. For further details, Applicants may refer to the Prospectus and the Application Form.

## **B. INSTRUCTIONS FOR FILLING THE REVISION FORM**

- a.) During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b.) RII may revise / withdraw their Application till closure of the Issue period.
- c.) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- d.) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:





<b>COMMON APPLICATION REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> Registered Office: Tel. No.:                      Fax No. :                      Email:                      Website: Contact Person:                      CIN:	<b>FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS</b>
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<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	<b>Application Form No.</b>
-------------	--	---	-----------------------------

<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	

PLEASE CHANGE MY APPLICATION  PHYSICAL

4. FROM (as per last Application or Revision)		Price per Equity Share (₹) [*]												"Cut-off" (Please tick)			
Options	No. of Equity Shares Application (Application must be in multiples of [*] Equity Share)	(In Figures)															
			7	6	5	4	3	2	1	4	3	2	1	4	3	2	1
Option 1	ORIGINAL APPLICATION	ORIGINAL APPLICATION															
(OR) Option 2		X															
(OR) Option 3		X															

5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")		Price per Equity Share (₹) [*]												"Cut-off" (Please tick)			
Options	No. of Equity Shares Application (Application must be in multiples of [*] Equity Share)	(In Figures)															
			7	6	5	4	3	2	1	4	3	2	1	4	3	2	1
Option 1	REVISED APPLICATION	REVISED APPLICATION															
(OR) Option 2		X															
(OR) Option 3		X															

<b>6. PAYMENT DETAILS</b>		<b>PAYMENT OPTION : Full Payment</b>
Additional Amount Blocked (₹ in Figures)	_____ (₹ in words)	
ASBA Bank A/c No.	_____	
Bank Name & Branch	_____	
OR UPI Id	_____	
<small>(Maximum 45 characters)</small>		

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1) _____	
	2) _____	
	3) _____	

----- TEAR HERE -----

<b>LOGO</b>	<b>XYZ LIMITED</b> REVISION FORM - INITIAL PUBLIC ISSUE - NR	<small>Acknowledgment Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA</small>	<b>Application Form No.</b>
DPID / CLID	PAN		
Additional Amount Blocked (₹ in figures)	ASBA Bank & Branch	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No./UPI Id			
Received from Mr./Ms.			
Telephone / Mobile	Email		

----- TEAR HERE -----

<b>XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - NR</b>		Option 1	Option 2	Option 3	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	<b>Name of Sole / First Applicant</b>
	No. of Equity Shares					
	Issue Price					
	Additional Amount Blocked (₹)					
	ASBA Bank A/c No. / UPI Id:					
Bank & Branch:						
<b>Acknowledgment Slip for Applicant</b>						
<b>Application Form No.</b>						

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

## **11. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading “Instructions for Filling the Application Form”.

## **12. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION ‘FROM’ AND ‘TO’**

- a.) Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for [●] equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of [●] equity shares, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- b.) In case of revision, applicants’ options should be provided by applicants in the same order as provided in the Application Form.
- c.) In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, Subsequent to revision, does not exceed ₹ 200,000. In case the Application Amount exceeds ₹ 200,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Issue Price.
- d.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Issue Price is higher than the price disclosed in the Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.
- e.) In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

## **13. PAYMENT DETAILS**

- a.) All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.
- b.) Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.
- c.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Issue price disclosed in the Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.
- d.) In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

## **14. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading “Instructions for Filling the Application Form” for this purpose.

## APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

*Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as 'Demographic Details') or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

## PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## OTHER INSTRUCTIONS

## JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

## MULTIPLE APPLICATIONS

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- I. All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration (“GIR”) number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB’s in the ASBA system, without any fault on the part of Applicant.**

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

#### **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are

- not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations for "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

## **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. a tripartite agreement dated [●] with NSDL, our Company and Registrar to the Issue;
- b. a tripartite agreement dated [●] with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: [●]

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

## COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;**

<p><b>To,</b>  <b>Ms. Niharika Gupta</b>          C- 69, C Block, Sector 2, Noida, Uttar Pradesh 201301  <b>Tel. No.:</b> +91-120-2543069  <b>E-mail:</b> <a href="mailto:cs@kdsbpo.com">cs@kdsbpo.com</a>  <b>Website:</b> <a href="http://www.kdsbpo.com">www.kdsbpo.com</a></p>	<p><b>To the Registrar to the Issue</b>  <b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b>          D-153A, 1st Floor, Okhla Industrial Area          Phase-I, New Delhi – 110020, India  <b>Tel. No.:</b> 011-40450193-197  <b>Fax No.:</b> 011-26812683  <b>Email:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a>  <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a>  <b>Investor Grievance Email:</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a>  <b>Contact Person:</b> Ms. Rati Gupta  <b>SEBI Registration No.:</b> INR000003241</p>
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## DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

## IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

- a) **‘Any person who: makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) **Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.**

*Section 447 of the Companies Act, 2013, is reproduced as below:*

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which*

may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years. Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.*

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;
  - (a). minimum fifty per cent. to retail individual investors; and
  - (b). remaining to:
    - i) individual applicants other than retail individual investors; and
    - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “BASIS OF ALLOTMENT”.



“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of NSE.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in Page no. 42 under chapter titled “General Information” of this Draft Prospectus shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME**

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis

#### **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

1. If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
3. That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date or such other period as may be prescribed;
4. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within the time prescribed under applicable law or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15.00% per annum for the delayed period;
5. That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;
6. That the Promoters’ contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription.

7. That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;
8. No further Issue of Equity Shares shall be made until the Equity Shares Issued through the Prospectus are listed or until the Application monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
9. That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh Offer document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
11. That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;
12. That adequate arrangements shall be made to collect all Application Forms from Applicants; and
13. That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

### **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;
- 5) Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction –Foreign Investment In India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted

basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non- Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION XIII - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

ARTICLE NO.	INTERPRETATION	HEADING
1.	<p>In these Articles unless there be something in the subject matter or context inconsistent therewith:</p> <ul style="list-style-type: none"> <li>i. “The Act” means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.</li> <li>ii. “Articles” means Articles of Association of the Company as originally framed or altered from time to time</li> <li>iii. “Beneficial Owner” shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.</li> <li>iv. “Board” or “Board of Director” means the Collective body of the Board of Directors of the Company.</li> <li>v. “Chairman” means the Chairman of the Board of the Directors of the Company.</li> <li>vi. “The Company” means Kandarp Digi Smart BPO Limited.</li> <li>vii. “Depositories Act, 1996” shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.</li> <li>viii. “Depository” shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.</li> <li>ix. “Directors” mean the Directors for the time being of the Company.</li> <li>x. “Dividend” includes any interim dividend.</li> <li>xi. “Document” means a document as defined in Section 2 (36) of the Companies Act, 2013.</li> <li>xii. “Equity Share Capital”, with reference to any Company limited by shares, means all share capital which is not preference share capital;</li> <li>xiii. “KMP” means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.</li> <li>xiv. “Managing Director” means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.</li> <li>xv. “Month” means Calendar month.</li> <li>xvi. “Office” means the registered office for the time being of the Company.</li> <li>xvii. “Paid-up share capital” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;</li> <li>xviii. “Postal Ballot” means voting by post or through any electronic mode.</li> <li>xix. “Proxy” includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.</li> <li>xx. “Public Holiday” means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.</li> <li>xxi. “Registrar” means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant</li> </ul>	Interpretation

	<p>Registrar having the duty of registering companies and discharging various functions under this Act.</p> <p>xxii. “Rules” means the applicable rules as prescribed under the relevant sections of the Act for time being in force.</p> <p>xxiii. “SEBI” means Securities &amp; Exchange Board of India established under Section 3 of the Securities &amp; Exchange Board of India Act, 1992.</p> <p>xxiv. “Securities” means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)</p> <p>xxv. “Share” means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.</p> <p>xxvi. “Seal” means the common seal of the Company.</p> <p>xxvii. “Preference Share Capital”, with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to—  <i>(i)</i> payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and  <i>(ii)</i> repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;</p> <p>xxviii. “Persons” include corporations and firms as well as individuals.</p> <p>Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.</p> <p>Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.</p> <p>‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.</p>	
2.	The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.	Share Capital
3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	
4.	Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	Issue of Sweat Equity Shares
5.	The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or	Issue of Debentures

	allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.	
<b>6.</b>	<p>i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,—</p> <p>a. one certificate for all his shares without payment of any charges; or</p> <p>b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.</p> <p>ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;</p> <p>iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>iv. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</p>	Issue of Share Certificate
<b>7.</b>	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.	
<b>8.</b>	Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
<b>9.</b>	The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company..	
<b>10.</b>	<p>i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</p> <p>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</p> <p>iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</p>	Power to pay Commission In connection with the Securities issued
<b>11.</b>	<p>i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in</p>	Variations of Shareholder's rights

	<p>writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.</p> <p>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</p>	
<b>12.</b>	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	
<b>13.</b>	Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.	Issue of Preference Shares
<b>14.</b>	<p>(1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:</p> <p>(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</p> <p>(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>(3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company: Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.</p>	Further Issue of shares
<b>15.</b>	<p>i. The Company shall have a first and paramount lien—</p> <p>a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p> <p>b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company;</p> <p>c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares</p> <p>Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p>	Lien



<p><b>16.</b></p>	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:          Provided that no sale shall be made—</p> <ol style="list-style-type: none"> <li>a. unless a sum in respect of which the lien exists is presently payable;</li> <li>or</li> <li>b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</li> </ol>	
<p><b>17.</b></p>	<ol style="list-style-type: none"> <li>i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</li> <li>ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.</li> <li>iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</li> </ol>	
<p><b>18.</b></p>	<ol style="list-style-type: none"> <li>i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</li> <li>ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</li> </ol>	
<p><b>19.</b></p>	<p>Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles: -</p> <ol style="list-style-type: none"> <li>a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.</li> <li>b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.</li> <li>c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.</li> <li>d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.</li> <li>e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.</li> </ol> <p>(i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.</p>	<p>Joint Holdings</p>

	<p>(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.</p> <p>g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.</p>	
<b>20.</b>	<p>i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:</p> <p>Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.</p> <p>ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.</p> <p>iii. A call may be revoked or postponed at the discretion of the Board.</p>	Calls on Shares
<b>21.</b>	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.	
<b>22.</b>	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	
<b>23.</b>	<p>i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.</p> <p>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	
<b>24.</b>	<p>i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</p> <p>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture</p> <p>iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p>	
<b>25.</b>	<p>The Board—</p> <p>i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and</p> <p>ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.</p>	
<b>26.</b>	<p>Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.</p> <p>Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.</p>	
<b>27.</b>	The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.	

28.	The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.	
29.	<ul style="list-style-type: none"> <li>i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.</li> <li>ii. Each share in the Company shall be distinguished by its appropriate number.</li> <li>iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.</li> </ul>	
30.	<ul style="list-style-type: none"> <li>i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.</li> <li>ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.</li> </ul>	
31.	<p>The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-</p> <ul style="list-style-type: none"> <li>i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</li> <li>ii. any transfer of shares on which the Company has a lien.</li> <li>iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.</li> </ul>	
32.	<p>The Board shall decline to recognise any instrument of transfer unless—</p> <ul style="list-style-type: none"> <li>i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</li> <li>ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares.</li> </ul> <p>Provided that, transfer of shares in whatever lot shall not be refused.</p> <ul style="list-style-type: none"> <li>iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),</li> <li>iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;</li> <li>v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.</li> </ul>	Transfer of Shares
33.	The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay	
34.	<p>On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year</p>	
35	The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.	

36.	The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.	Register of Transfers
37.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.</p> <p>a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.</p> <p>b. Option for Investors:</p> <p>Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.</p> <p>If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security</p> <p>c. Securities in Depository to be in fungible form: -</p> <ul style="list-style-type: none"> <li>• All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.</li> <li>• Nothing contained in Sections 88, 89, 112 &amp; 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</li> </ul> <p>d. Rights of Depositories &amp; Beneficial Owners: - Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.</p> <p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p>	Dematerialisation of Securities

	<ul style="list-style-type: none"> <li>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</li> <li>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</li> <li>vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.</li> <li>vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.</li> </ul>	
<b>38.</b>	<ul style="list-style-type: none"> <li>i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.</li> <li>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</li> </ul>	Transmission of Shares
<b>39.</b>	<ul style="list-style-type: none"> <li>i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either— <ul style="list-style-type: none"> <li>a. to be registered himself as holder of the share; or</li> <li>b. to make such transfer of the share as the deceased or insolvent member could have made.</li> </ul> </li> <li>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</li> </ul>	
<b>40.</b>	<ul style="list-style-type: none"> <li>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</li> <li>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</li> <li>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</li> </ul>	
<b>41.</b>	<p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>	

42.	<p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p> <p>No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.</p>	
43.	<p>If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.</p>	
44.	<p>The notice aforesaid shall—</p> <ol style="list-style-type: none"> <li>i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and</li> <li>ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.</li> </ol>	
45.	<p>If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.</p>	
46.	<ol style="list-style-type: none"> <li>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</li> <li>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</li> </ol>	
47.	<ol style="list-style-type: none"> <li>i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.</li> <li>ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.</li> </ol>	
48.	<ol style="list-style-type: none"> <li>i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;</li> <li>ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;</li> <li>iii. The transferee shall thereupon be registered as the holder of the share; and</li> <li>iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.</li> </ol>	Forfeiture of Shares
49.	<p>The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.</p>	
50.	<p>Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.</p>	
51.	<p>Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to</p>	

	it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	
52.	The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
53.	The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	
54.	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
55.	Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.	Initial payment not to preclude forfeiture
56.	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	
57.	Subject to the provisions of section 61, the Company may, by ordinary resolution,—  i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	Alteration of Share Capital
58.	Where shares are converted into stock,—  i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.  ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.  iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.	Conversion of Shares into Stock
59.	The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —	Reduction of Capital

	<ul style="list-style-type: none"> <li>i. its share capital;</li> <li>ii. any capital redemption reserve account; or</li> <li>iii. Any share premium account.</li> </ul>	
<b>60.</b>	<p>The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.</p> <p>The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.</p>	Share Warrants
<b>61.</b>	<ul style="list-style-type: none"> <li>i. The Company in general meeting may, upon the recommendation of the Board, resolve— <ul style="list-style-type: none"> <li>a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</li> <li>b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</li> </ul> </li> <li>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards— <ul style="list-style-type: none"> <li>a. paying up any amounts for the time being unpaid on any shares held by such members respectively;</li> <li>b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;</li> <li>c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);</li> <li>d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</li> </ul> </li> </ul>	Capitalization of Profits



	<p>e. The Board shall give effect to the resolution passed by the Company in pursuance of this -regulation.</p> <p>iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.</p>	
<b>62.</b>	<p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and</p> <p>b. generally to do all acts and things required to give effect thereto.</p> <p>ii. The Board shall have power—</p> <p>a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and</p> <p>b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;</p> <p>iii. Any agreement made under such authority shall be effective and binding on such members.</p>	
<b>63.</b>	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	Buy back of Shares
<b>64.</b>	All General Meetings other than annual general meeting shall be called extraordinary general meetings	
<b>65.</b>	<p>i. The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.</p> <p>iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</p>	General Meeting
<b>66.</b>	<p>i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.</p> <p>ii.</p> <p>i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.</p> <p>ii. In any other case, the quorum shall be decided as under:</p>	Proceedings at General Meetings

	<p>a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</p>	
<b>67.</b>	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.	
<b>68.</b>	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	
<b>69.</b>	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	
<b>70.</b>	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	
<b>71.</b>	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.	
<b>72.</b>	<p>ii. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.</p> <p>iii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p>	Demand for Poll
<b>73.</b>	<p>i. A poll demanded on a question of adjournment shall be taken forthwith.</p> <p>ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.</p>	Time of taking Poll
<b>74.</b>	<p>i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	Adjournment of Meeting
<b>75.</b>	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <p>i. on a show of hands, every member present in person shall have one vote; and</p> <p>ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.</p>	Voting Rights
<b>76.</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	

77.	<p>i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	
78.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	
79.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.	
80.	Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.	
81.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.	
82.	<p>i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.</p> <p>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p>	
83.	No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.	
84.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.	Casting Vote
85.	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.	Representation of Body Corporate
86.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	Circulation of member's Resolution
87.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	Resolution requiring special notice
88.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date	Resolutions passed at adjourned meeting
89.	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	Registration of resolutions and agreements
90.	i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the	Minutes of proceedings of general meeting

	<p>conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.</p> <p>ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:</p> <ul style="list-style-type: none"> <li>A. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</li> <li>B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.</li> <li>C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</li> <li>D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</li> <li>E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</li> <li>F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain: <ul style="list-style-type: none"> <li>a. the names of the Directors present at the meetings, and</li> <li>b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</li> </ul> </li> </ul> <p>iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <ul style="list-style-type: none"> <li>a. is or could reasonably be regarded, as defamatory of any person</li> <li>b. is irrelevant or immaterial to the proceedings; or</li> <li>c. is detrimental to the interests of the Company.</li> </ul> <p>iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>	and of Board and other meetings
<b>91.</b>	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	Minutes to be considered to be evidence
<b>92.</b>	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	Publication of reports of proceeding of general meetings
<b>93.</b>	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of `a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Proxy
<b>94.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
<b>95.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:	

	Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	
<b>96.</b>	The First Directors of the Company shall be: 1. Mr. Sunil Kumar Rai 2. Mrs. Meenakshi Pathak	
<b>97.</b>	The Directors need not hold any “Qualification Share(s)”.	
<b>98</b>	<p>Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:</p> <p>He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.</p> <p>Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.</p>	Board of Directors
<b>99.</b>	<ol style="list-style-type: none"> <li>i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</li> <li>ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them— <ol style="list-style-type: none"> <li>a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</li> <li>b. in connection with the business of the company.</li> </ol> </li> </ol>	
<b>100.</b>	The Board may pay all expenses incurred in getting up and registering the company.	
<b>101.</b>	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.	
<b>102.</b>	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	
<b>103.</b>	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	
<b>104.</b>	<ol style="list-style-type: none"> <li>i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</li> <li>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</li> </ol>	
<b>105.</b>	Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and	Retirement and Rotation of Directors

	save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.	
<b>106.</b>	The remaining Directors shall be appointed in accordance with the provisions of the Act.	
<b>107.</b>	At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.	
<b>108.</b>	Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.	
<b>109.</b>	Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.	
<b>110.</b>	Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.	
<b>111.</b>	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as “the Corporation”) continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.	Nominee Director
<b>112.</b>	The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.	
<b>113.</b>	The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
<b>114.</b>	The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.	

	Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.	
115	Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
116.	The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	Removal of Director
117.	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.	
118.	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.	
119	Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-, <ul style="list-style-type: none"> <li>(a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and</li> <li>(b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:</li> </ul> <p>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.</p>	
120.	A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.	
121	A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.	
122.	If the vacancy is not filled under clause (5) above, it may be filled as a casual vacancy in accordance with the provisions of this Act: Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.	
123.	Nothing in this section shall be taken- <ul style="list-style-type: none"> <li>a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or</li> <li>b) as derogating from any power to remove a director under other provisions of this Act.</li> </ul>	
124.	Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by	Remuneration and sitting fees to

	<p>the Board of Directors from time to time in recognition of the services rendered by them for the company.</p> <p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <p>a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or</p> <p>b. In connection with the business of the Company.</p>	Directors including Managing and whole time Directors
<b>125</b>	<p>Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/- (Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 &amp; 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.</p>	
<b>126.</b>	<p>i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.</p> <p>a. The power to make calls on shareholders in respect of money unpaid on their shares;</p> <p>b. The Power to authorize buy-back of securities under Section 68 of the Act.</p> <p>c. Power to issue securities, including debenture, whether in or outside India</p> <p>d. The power to borrow moneys</p> <p>e. The power to invest the funds of the Company,</p> <p>f. Power to Grant loans or give guarantee or provide security in respect of loans</p> <p>g. Power to approve financial statements and the Board's Report</p> <p>h. Power to diversify the business of the Company</p> <p>i. Power to approve amalgamation, merger or reconstruction</p> <p>j. Power to take over a Company or acquire a controlling or substantial stake in another Company</p> <p>k. Powers to make political contributions;</p> <p>l. Powers to appoint or remove key managerial personnel (KMP);</p> <p>m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>n. Powers to appoint internal auditors and secretarial auditor;</p> <p>o. Powers to take note of the disclosure of director's interest and shareholding;</p> <p>p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;</p> <p>q. Powers to invite or accept or renew public deposits and related matters;</p> <p>r. Powers to review or change the terms and conditions of public deposit;</p> <p>s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.</p>	<p><b>Powers and duties of Directors:</b></p> <p><b>Certain powers to be exercised by the Board only at meeting</b></p>



	<p>ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.</p> <p>iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.</p> <p>v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.</p>	
<p><b>127.</b></p>	<p>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting:</p> <ul style="list-style-type: none"> <li>a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</li> <li>b) remit, or give time for the repayment of any debt, due by a Director;</li> <li>c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;</li> <li>d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or</li> <li>e) contribute to <i>bona fide</i> charitable and other funds, aggregate of which ill in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings.</li> </ul> <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <ul style="list-style-type: none"> <li>a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or</li> <li>b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.</li> </ul> <p>iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.</p>	<p><b>Restriction on powers of Board</b></p>
<p><b>128.</b></p>	<p>Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to</p>	

	the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.	
<b>129.</b>	Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.	General powers of the Company vested in Directors
<b>130.</b>	<p>Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:</p> <ol style="list-style-type: none"> <li>i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;</li> <li>ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;</li> <li>iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;</li> <li>iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;</li> <li>v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;</li> <li>vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;</li> </ol>	Specific Power given to Directors

	<p>vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;</p> <p>viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;</p> <p>ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;</p> <p>xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;</p> <p>xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.</p> <p>xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances,</p>	
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	<p>gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p> <p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;</p>	
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<p><b>131.</b></p>	<p>a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.</p> <p>c) Subject to the provisions of Sections 197 &amp; 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.</p>	<p>MANAGING DIRECTORS</p> <p>Power to appoint Managing or Whole-time Directors</p>
<p><b>132.</b></p>	<p>a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	
<p><b>133.</b></p>	<p>The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.</p>	
<p><b>134.</b></p>	<p>a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>	
<p><b>135</b></p>	<p>The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.</p>	<p>Proceedings of the Board</p>
<p><b>136.</b></p>	<p>The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.</p>	
<p><b>137.</b></p>	<p>a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.</p>	
<p><b>138.</b></p>	<p>a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.</p> <p>b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.</p>	<p>Delegation of Powers of Board to Committee</p>
<p><b>139.</b></p>	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the</p>	

	members present may choose one of their members to be Chairperson of the meeting.	
<b>140.</b>	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>	
<b>141.</b>	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	
<b>142.</b>	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held	
<b>143.</b>	<p>Subject to the provisions of the Act—</p> <p>a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</p>	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer
<b>144.</b>	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, manager, Company Secretary or chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief Financial Officer.	
<b>145.</b>	<p>a) The Board shall provide for the safe custody of the seal.</p> <p>b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p>	The Seal
<b>146.</b>	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	
<b>147.</b>	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.	
<b>148.</b>	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	Dividends and Reserve
<b>149.</b>	a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and	

	<p>so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	
<b>150.</b>	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	
<b>151.</b>	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
<b>152.</b>	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	
<b>153.</b>	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	
<b>154.</b>	<p>No dividend shall bear interest against the Company.</p> <p>Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;</p>	
<b>155.</b>	<p>Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.</p> <p>The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.</p>	
<b>156.</b>	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	
<b>157.</b>	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	
<b>158.</b>	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.	Accounts

	<p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.</p>	
<b>159.</b>	<p>Minutes Books of General Meetings</p> <p>a) The books containing the minutes of the proceedings of any general meeting of the Company shall;</p> <ol style="list-style-type: none"> <li>i. be kept at the registered office of the Company, and</li> <li>ii. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.</li> </ol> <p>Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance.</p> <p>b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.</p>	Inspection of Statutory Documents of the Company:
<b>160.</b>	<p>Register of charges:</p> <p>a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</p> <p>b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—</p> <ol style="list-style-type: none"> <li>a. by any member or creditor without any payment of fees; or</li> <li>b. by any other person on payment of such fees as may be prescribed,</li> </ol> <p>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>	
<b>161.</b>	<p>a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.</p> <p>c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.</p> <p>d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.</p>	Audit
<b>162.</b>	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <ol style="list-style-type: none"> <li>i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</li> </ol>	Winding up



	<p>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.</p>	
<b>163.</b>	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under—	Indemnity
<b>164.</b>	<p>(a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.</p> <p>(b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.</p>	Secrecy

## **SECTION XV – 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 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 Draft Prospectus, delivered to the Registrar of Companies, for registration. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Prospectus until the Issue Closing Date.

#### **Material Contracts**

1. Memorandum of Understanding dated April 21, 2022 between our Company Lead Manager to the Issue.
2. Agreement dated May 14, 2022 executed between our Company and the Registrar to the Issue (Skyline Financial Services Private Limited)
3. Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
4. Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated [●] between our Company, Lead Manager and Underwriters.
6. Tripartite Agreement dated [●] among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated [●] among NDSL, 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 February 07, 2001 issued by the Registrar of Companies, N.C.T of Delhi & Haryana.
3. Fresh Certificate of Incorporation Consequent upon Change of Name from Dynamic Restructuring Management Services Private Limited to Kandarp Management Services Private Limited dated March 23, 2010 issued by National Capital Territory of Delhi and Haryana.
4. Fresh Certificate of Incorporation pursuant to change of name from Kandarp Management Services Private Limited to Kandarp Digi Smart BPO Private Limited dated December 09, 2021 issued by Registrar of Companies - Delhi
5. Fresh Certificate of Incorporation dated March 22, 2022 issued by the Registrar of Companies, Delhi consequent upon Conversion of the Company to Public Company.
6. Copy of the Board Resolution dated April 01, 2022 authorizing the Issue and other related matters.
7. Copy of Shareholder's Resolution dated April 11, 2022 authorizing the Issue and other related matters.
8. Copies of Audited Financial Statements of our Company for the stub period ended on December 31, 2021 and for years ended March 31, 2021, 2020 & 2019.
9. Peer Review Auditors Report dated June 01, 2022 on Restated Financial Statements of our Company for the stub period ended on December 31, 2021 and for years ended March 31, 2021, 2020 & 2019.
10. Copy of the Statement of Tax Benefits dated June 01, 2022 from the Peer Review Auditor.
11. Consents of the Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to our Company, Banker to the Issue, Sponsor Bank, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to, in their respective capacities.
12. Board Resolution dated June 22, 2022 for approval of Draft Prospectus, dated [●] for approval of Prospectus
13. Due Diligence Certificate from Lead Manager dated June 22, 2022 filed with NSE and dated [●] filed with SEBI.
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.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Draft Prospectus. No statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Draft Prospectus are true and correct.

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

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**Mr. Sunil Kumar Rai**  
*Chairman and Managing Director*  
DIN: 01989744

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**Mrs Meenakshi Pathak**  
*Whole-Time Director*  
DIN: 02009605

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**Mr. Pankaj Rai**  
*Non-Executive Director*  
DIN: 05250574

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**Mrs. Anita Jha**  
*Independent Director*  
DIN: 08778164

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**Mr. Pramod Kumar Tiwari**  
*Independent Director*  
DIN: 08777899

### **SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY: -**

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**Mr. Parbind Kumar Jha**  
*Chief Financial Officer*

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**Ms. Niharika Gupta**  
*Company Secretary and Compliance Office*

**Date – June 22, 2022**

**Place – Delhi**