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**NEWJAISA TECHNOLOGIES LIMITED**  
(Formerly known as “Newjaisa Technologies Private Limited”)  
CIN: U32106KA2020PLC134935

| REGISTERED OFFICE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                             | CONTACT PERSON                                               |                   | EMAIL AND TELEPHONE                                                                                                   | WEBSITE               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------|-------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------|
| 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School, Bangalore, 560078, Karnataka, India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                             | Mrs. Poonam Jain<br>Company Secretary and Compliance Officer |                   | Email: cs@newjaisa.com<br>Tel: +91 93901 77182                                                                        | https://newjaisa.com/ |
| PROMOTERS OF OUR COMPANY: MR. VISHESH HANDA AND MR. MUKUNDA RAGHAVENDRA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                             |                                                              |                   |                                                                                                                       |                       |
| DETAILS OF THE ISSUE TO PUBLIC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                             |                                                              |                   |                                                                                                                       |                       |
| TYPE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | FRESH ISSUE SIZE                                            | OFFER FOR SALE SIZE                                          | TOTAL ISSUE SIZE  | ELIGIBILITY AND RESERVATION                                                                                           |                       |
| Fresh Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Up to 84,96,000 Equity Shares aggregating up to ₹ [●] Lakhs | Nil                                                          | Up to ₹ [●] Lakhs | THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229 AND 253(1) OF CHAPTER IX OF THE SEBI ICDR REGULATIONS AS AMENDED. |                       |
| DETAILS IN RELATION TO FLOOR PRICE, CAP PRICE AND MINIMUM BID LOT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                             |                                                              |                   |                                                                                                                       |                       |
| THE FACE VALUE OF EQUITY SHARES IS ₹ 5 EACH. THE FLOOR PRICE IS ₹ 44 PER EQUITY SHARE WHICH IS 8.8 TIMES OF THE FACE VALUE AND THE CAP PRICE IS ₹ 47 PER EQUITY SHARE WHICH IS 9.4 TIMES OF THE FACE VALUE. THE MINIMUM BID LOT IS 3,000 EQUITY SHARES AND IN MULTIPLES OF 3,000 EQUITY SHARES THEREAFTER.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                             |                                                              |                   |                                                                                                                       |                       |
| DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDER AND WEIGHTED AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                             |                                                              |                   |                                                                                                                       |                       |
| RISKS IN RELATION TO THE FIRST ISSUE.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                             |                                                              |                   |                                                                                                                       |                       |
| The face value of the Equity Shares is ₹ 5/-. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “ <b>Basis for Issue Price</b> ” on page 95 should not be considered 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 nor regarding the price at which the Equity Shares will be traded after listing.                                                                                                                                                                                        |                                                             |                                                              |                   |                                                                                                                       |                       |
| GENERAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                             |                                                              |                   |                                                                                                                       |                       |
| Investments 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section “ <i>Risk Factors</i> ” beginning on page 29 of this Red Herring Prospectus. |                                                             |                                                              |                   |                                                                                                                       |                       |
| ISSUER’S ABSOLUTE RESPONSIBILITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                             |                                                              |                   |                                                                                                                       |                       |
| The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring 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 Red Herring 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 Issued through the Red Herring Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI ICDR Regulations 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”).                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                             |                                                              |                   |                                                                                                                       |                       |
| BOOK RUNNING LEAD MANAGER TO THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                             |                                                              |                   |                                                                                                                       |                       |
| Name & Logo                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                             | Contact Person                                               |                   | Email & Telephone                                                                                                     |                       |
| INDORIENT FINANCIAL SERVICES LIMITED<br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                             | Mr. Ivor Anil Misquith                                       |                   | E-mail: compliance-ifsl@indorient.in<br>Tel: +91-79772 12186                                                          |                       |
| REGISTRAR TO THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                             |                                                              |                   |                                                                                                                       |                       |
| Name & Logo                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                             | Contact Person                                               |                   | Email & Telephone                                                                                                     |                       |
| BIGSHARE SERVICES PRIVATE LIMITED<br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                             | Mr. Babu Rapheal C                                           |                   | E-mail: ipo@bigshareonline.com<br>Tel: +91 – 22 – 6263 8200                                                           |                       |
| BID/ISSUE PERIOD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                             |                                                              |                   |                                                                                                                       |                       |
| ANCHOR PORTION ISSUE OPENS/CLOSES ON:<br>FRIDAY SEPTEMBER 22, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                             | BID/ISSUE OPENS ON:<br>MONDAY SEPTEMBER 25, 2023             |                   | BID/ISSUE CLOSES ON:<br>WEDNESDAY SEPTEMBER 27, 2023                                                                  |                       |

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


**NewJaisa**  
**NEWJAISA TECHNOLOGIES LIMITED**

(Formerly known as “Newjaisa Technologies Private Limited”)

CIN: U32106KA2020PLC134935

Our Company was originally incorporated as ‘Newjaisa Technologies Private Limited’ as a private limited company under the provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated June 16, 2020 issued by the Registrar of Companies, Central Registration Centre bearing CIN U32106KA2020PTC134935. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on May 04, 2023, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “Newjaisa Technologies Private Limited” to “Newjaisa Technologies Limited” vide a fresh certificate of incorporation dated June 27, 2023 issued by the Registrar of Companies, Bangalore, Karnataka, bearing CIN U32106KA2020PLC134935. For further details please refer to section titled “**History and Certain Other Corporate Matters**” beginning on page 140 of this Red Herring Prospectus.

**Registered Office:** 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School, Bangalore, 560078, Karnataka, India

**Contact Person:** Mrs. Poonam Jain, Company Secretary and Compliance Officer.

**Tel:** +91- 93901 77182; **E-mail:** cs@newjaisa.com; **Website:** https://newjaisa.com/

**OUR PROMOTERS: MR. VISHESH HANDA AND MR. MUKUNDA RAGHAVENDRA**

**THE ISSUE**

**INITIAL PUBLIC OFFER OF UPTO 84,96,000 EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH (THE “EQUITY SHARES”) OF NEWJAISA TECHNOLOGIES LIMITED (“OUR COMPANY” OR “NEWJAISA” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH 4,26,000 EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 80,70,000 EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.40% AND 25.07% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF EQUITY SHARES IS ₹ 5 EACH. THE FLOOR PRICE IS ₹ 44 PER EQUITY SHARE WHICH IS 8.8 TIMES OF THE FACE VALUE AND THE CAP PRICE IS ₹ 47 PER EQUITY SHARE WHICH IS 9.4 TIMES OF THE FACE VALUE. THE MINIMUM BID LOT IS 3,000 EQUITY SHARES AND IN MULTIPLES OF 3,000 EQUITY SHARES THEREAFTER.**

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. 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, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “**Issue Procedure**” beginning on page 258 of this Red Herring Prospectus.

**ELIGIBLE INVESTORS**

For details in relation to Eligible Investors, please refer to section titled “**Issue Procedure**” beginning on page 258 of this Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

The face value of the Equity Shares is ₹ 5. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “**Basis for Issue Price**” on page 95 should not be considered 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 nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section “**Risk Factors**” beginning on page 29 of this Red Herring Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring 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 Red Herring 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 Issued through this Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI ICDR Regulations as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Ltd. (“NSE”)

**BOOK RUNNING LEAD MANAGER TO THE ISSUE****REGISTRAR TO THE ISSUE****INDORIENT FINANCIAL SERVICES LIMITED**

**Registered Office Address:** A/501, Rustomjee Central Park, Executive Spaces, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India.

**Tel:** +91-79772 12186

**E-mail:** compliance-ifsl@indorient.in

**Investor Grievance E-mail:** wecare@indorient.in

**Website:** www.indorient.in

**Contact Person:** Mr. Ivor Anil Misquith

**SEBI Registration No:** INM000012661

**CIN:** U67190DL1993PLC052085

**BIGSHARE SERVICES PRIVATE LIMITED**

S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India

**Tel No.:** +91 – 22 – 6263 8200

**Fax No.:** +91 – 22 – 6263 8299

**E-mail:** ipo@bigshareonline.com

**Investor Grievance Email:** investor@bigshareonline.com

**Website:** www.bigshareonline.com

**Contact Person:** Mr. Babu Rapheal C

**SEBI Registration No:** INR000001385

**CIN:** U99999MH1994PTC076534

**ISSUE PROGRAMME**

**ANCHOR PORTION ISSUE OPENS/CLOSES ON:**  
**FRIDAY SEPTEMBER 22, 2023**

**BID/ISSUE OPENS ON:**  
**MONDAY SEPTEMBER 25, 2023**

**BID/ISSUE CLOSES ON:**  
**WEDNESDAY SEPTEMBER 27, 2023**

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## TABLE OF CONTENTS

|                                                                                             |            |
|---------------------------------------------------------------------------------------------|------------|
| <b>SECTION I: GENERAL</b>                                                                   | <b>6</b>   |
| DEFINITIONS AND ABBREVIATIONS                                                               | 6          |
| CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION AND MARKET DATA | 20         |
| FORWARD-LOOKING STATEMENTS                                                                  | 22         |
| <b>SECTION II: SUMMARY OF THE RED HERRING PROSPECTUS</b>                                    | <b>23</b>  |
| <b>SECTION III: RISK FACTORS</b>                                                            | <b>29</b>  |
| <b>SECTION IV: INTRODUCTION</b>                                                             | <b>49</b>  |
| THE ISSUE                                                                                   | 49         |
| SUMMARY OF FINANCIAL INFORMATION                                                            | 51         |
| <b>SECTION V: GENERAL INFORMATION</b>                                                       | <b>55</b>  |
| <b>SECTION VI: CAPITAL STRUCTURE</b>                                                        | <b>68</b>  |
| <b>SECTION VII: PARTICULARS OF THE ISSUE</b>                                                | <b>83</b>  |
| OBJECTS OF THE ISSUE                                                                        | 83         |
| BASIS FOR ISSUE PRICE                                                                       | 95         |
| STATEMENT OF POSSIBLE TAX BENEFITS                                                          | 102        |
| <b>SECTION VIII: ABOUT THE ISSUER</b>                                                       | <b>106</b> |
| OUR INDUSTRY                                                                                | 106        |
| OUR BUSINESS                                                                                | 119        |
| KEY INDUSTRY REGULATIONS AND POLICIES                                                       | 129        |
| HISTORY AND CERTAIN OTHER CORPORATE MATTERS                                                 | 140        |
| OUR MANAGEMENT                                                                              | 145        |
| OUR PROMOTERS AND PROMOTER GROUP                                                            | 165        |
| OUR GROUP COMPANIES                                                                         | 170        |
| RELATED PARTY TRANSACTIONS                                                                  | 171        |
| DIVIDEND POLICY                                                                             | 172        |
| <b>SECTION IX: FINANCIAL INFORMATION</b>                                                    | <b>173</b> |
| RESTATED FINANCIAL STATEMENTS                                                               | 173        |
| OTHER FINANCIAL INFORMATION                                                                 | 213        |
| MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS       | 214        |
| CAPITALIZATION STATEMENT                                                                    | 222        |
| FINANCIAL INDEBTEDNESS                                                                      | 223        |
| <b>SECTION X: LEGAL AND OTHER INFORMATION</b>                                               | <b>226</b> |
| OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS                                           | 226        |
| GOVERNMENT AND OTHER APPROVALS                                                              | 230        |
| OTHER REGULATORY AND STATUTORY DISCLOSURES                                                  | 234        |
| <b>SECTION XI: ISSUE INFORMATION</b>                                                        | <b>247</b> |
| TERMS OF THE ISSUE                                                                          | 247        |
| ISSUE STRUCTURE                                                                             | 254        |
| ISSUE PROCEDURE                                                                             | 258        |
| RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES                                      | 284        |



**SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION ..... 287**

**SECTION XIII: OTHER INFORMATION ..... 325**

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....325

DECLARATION ..... 327

## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Red Herring 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, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, terms in 'Main Provisions of the Articles of Association', 'Statement of Possible Tax Benefits', 'Our Industry', 'Key Industry Regulations and Policies', 'Financial Information', 'Outstanding Litigations and Material Developments', will have the meaning ascribed to such terms in these respective sections Page 287, 102, 106, 129, 173 and 226.

#### Conventional or General Terms

| Term                                                                 | Description                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Newjaisa Technologies Limited / Newjaisa / the Company / our Company | Newjaisa Technologies Limited, a public limited company incorporated under the Companies Act, 2013 as private limited and having its registered office at 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School Bangalore, 560078, Karnataka, India. |
| We/ us/ our                                                          | Unless the context otherwise indicates or implies, refers to our Company.                                                                                                                                                                                                                                        |
| You/ your                                                            | Prospective investors in this Issue.                                                                                                                                                                                                                                                                             |

#### Company Related Terms

| Term                                           | Description                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AoA/ Articles/ Articles of Association         | The Articles of Association of our Company, as amended, from time to time                                                                                                                                                                                                                                                           |
| Audit Committee                                | The committee of our Board of Directors, constituted as our Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder <i>vide</i> Board resolution dated July 03, 2023 as disclosed under section titled 'Our Management' beginning on page 145 of this Red Herring Prospectus. |
| Auditors / Statutory Auditors                  | The Statutory Auditors of our Company being "M/s. Abhilashi & Co" (Chartered Accountants) (Firm Registration No. 016025N), having their office at Shop No. 4, Near Income Tax Office, Model Town Road, Jalandhar City, Punjab-14401, India unless provided by the context.                                                          |
| Banker to our Company                          | Bankers to our Company in our case is "IDFC First Bank" having their office at Ground Floor No. 1, (old No. 106 C), PID No. 59-89, 30th Cross Road 7th Block Jayanagar, Bangalore 560070                                                                                                                                            |
| Board of Directors / the Board/ Our Board      | The Board of Directors of our Company, including all duly constituted committees thereof, as disclosed under section titled 'Our Management' beginning on page 145 of this Red Herring Prospectus.                                                                                                                                  |
| Business Day of our Company                    | It shall mean any day (other than a Saturday or a Sunday and a public holiday) on which the SEBI, the stock exchanges or the commercial banks in Karnataka, India, are open for business.                                                                                                                                           |
| Chairman/ Chairperson                          | The Chairman/ Chairperson of Board of Directors of the Company being "Mr. Vishesh Handa", Managing Director                                                                                                                                                                                                                         |
| Chief Financial Officer / CFO                  | Chief Financial Officer of our Company being "Mr. Ashish Nirmal"                                                                                                                                                                                                                                                                    |
| CIN                                            | Corporate Identification Number issued by Ministry of Corporate Affairs viz., U32106KA2020PLC134935                                                                                                                                                                                                                                 |
| Companies Act                                  | Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified by MCA till date) 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                                     |
| Companies Act, 1956                            | Companies Act, 1956, as amended from time to time                                                                                                                                                                                                                                                                                   |
| Companies Act, 2013                            | Companies Act, 2013 and applicable to the extent notified by MCA till date.                                                                                                                                                                                                                                                         |
| Company Secretary and Compliance Officer/ CS / | Company Secretary and Compliance Officer of our Company being "Mrs. Poonam Jain" (Membership No. 44093)                                                                                                                                                                                                                             |

|                                             |                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company Secretary / Compliance Officer      |                                                                                                                                                                                                                                                                                                                                                                              |
| Depositories                                | National Securities Depository Limited and Central Depository Services (India) Limited                                                                                                                                                                                                                                                                                       |
| Depositories Act                            | The Depositories Act, 1996, as amended from time to time                                                                                                                                                                                                                                                                                                                     |
| DIN                                         | Directors Identification Number                                                                                                                                                                                                                                                                                                                                              |
| Director(s)/ our Director(s)                | The Director(s) of our Company, unless otherwise specified                                                                                                                                                                                                                                                                                                                   |
| DP/ Depository Participant                  | A depository participant as defined under the Depositories Act                                                                                                                                                                                                                                                                                                               |
| Draft Red Herring Prospectus                | Draft Red Herring Prospectus dated August 01, 2023 filed with NSE Emerge.                                                                                                                                                                                                                                                                                                    |
| Equity Share(s)                             | The equity shares of our Company of a face value of ₹ 5.00 each, fully paid-up, unless otherwise specified in the context thereof.                                                                                                                                                                                                                                           |
| Equity Shareholder(s)                       | Persons/ entities holding the Equity Shares of our Company                                                                                                                                                                                                                                                                                                                   |
| Executive Director(s)                       | Executive Directors are the Managing Director and Whole-time Directors of our Company                                                                                                                                                                                                                                                                                        |
| Group Companies                             | Such companies with whom there are related party transactions, during the period for which financial information is disclosed, as covered under the applicable Accounting Standards, and also other companies as considered material by our Board and as disclosed under section titled ' <i>Our Group Companies</i> ' beginning on page 170 of this Red Herring Prospectus. |
| SEBI ICDR Regulations                       | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time                                                                                                                                                                           |
| Independent Director                        | A non-executive and Independent Director as defined under Section 2 (47) of the Companies Act, 2013 and as defined under the SEBI Listing Regulations, disclosed under section titled ' <i>Our Management</i> ' beginning on page 145 of this Red Herring Prospectus.                                                                                                        |
| Indian GAAP                                 | Generally Accepted Accounting Principles in India                                                                                                                                                                                                                                                                                                                            |
| Insider Trading Regulations                 | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time.                                                                                                                                                                                           |
| Internal Complaints Committee               | The committee of our Board, constituted as our Company's Internal Complaints Committee vide Board Resolution dated July 07, 2023 as disclosed under section titled ' <i>Our Management</i> ' beginning on page 145 of this Red Herring Prospectus.                                                                                                                           |
| ISIN                                        | International Securities Identification Number, in this case being "INE0PW501021"                                                                                                                                                                                                                                                                                            |
| IT Act/ Income Tax Act                      | Income Tax Act, 1961, as amended, till date                                                                                                                                                                                                                                                                                                                                  |
| Joint Venture                               | A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities                                                                                                                                                                                                                                                           |
| Key Management Personnel / KMP(s)           | Key Management Personnel of our Company in terms of Section 2 (51) of the Companies Act, 2013 and Regulation 2 (1) (bb) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Companies Act, 2013, as disclosed under section titled ' <i>Our Management</i> ' beginning on page 145 of this Red Herring Prospectus                           |
| SEBI Listing Regulations                    | Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time                                                                                                                                                                            |
| LLP                                         | Limited Liability Partnership as incorporated under the Limited Liability Partnership Act, 2008                                                                                                                                                                                                                                                                              |
| Managing Director / MD                      | Managing Director of our Company, namely "Mr. Vishesh Handa"                                                                                                                                                                                                                                                                                                                 |
| Materiality Policy                          | The policy on identification of Group Companies, material creditors and material litigation, adopted by our Board on July 07, 2023 in accordance with the requirements of the ICDR Regulations, as amended from time to time                                                                                                                                                 |
| Memorandum of Association / Memorandum/ MoA | Memorandum of Newjaisa Technologies Limited, as amended, from time to time                                                                                                                                                                                                                                                                                                   |
| Nomination and Remuneration Committee       | The committee of our Board, constituted as our Company's Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder vide Board Resolution dated July 03, 2023 as disclosed under section titled ' <i>Our Management</i> ' beginning on page 145 of this Red Herring Prospectus.                               |
| Non-Executive Director (s)                  | A Director not being an Executive Director                                                                                                                                                                                                                                                                                                                                   |
| Peer Review Auditors                        | Unless the context otherwise provides, Independent Auditor having a valid peer review certificate in our case, being "M/s. Abhilashi & Co" (Chartered Accountants)                                                                                                                                                                                                           |

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                           | (Firm Registration No. 016025N), having their office at Shop No. 4, Near Income Tax Office, Model Town Road, Jalandhar City, Punjab-14401, India,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Promoter(s)                               | Promoters of our Company i.e. “Mr. Vishesh Handa and Mr. Mukunda Raghavendra”, as disclosed under section titled in ‘Our Promoters and Promoter Group’ beginning on page 165 of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Promoter Group                            | Individuals, companies and entities constituting the promoter group of our Company, pursuant to Regulation 2 (1) (pp) of the ICDR Regulations, as disclosed under section titled ‘Our Promoters and Promoter Group’ beginning on page 165 of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Our Registered Office / Registered Office | The registered office of our Company situated at 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School Bangalore, 560078, Karnataka, India, India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Reserve Bank of India / RBI               | Reserve Bank of India constituted under the Reserve Bank of India Act, 1934                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Restated Financial Statements             | The restated financial statements of our Company for the Financial Years ended on March 31, 2023, March 31, 2022, and March 31, 2021 (prepared in accordance with Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations) which comprises of the restated balance sheet as it March 31, 2023, March 31, 2022, and March 31, 2021, restated statement for the period ended as it March 31, 2023, March 31, 2022 and March 31, 2021, of profit and loss and the restated cash flow statement, together with the annexures, , significant accounting policies and notes to accounts thereto and the examination report thereon. |
| RoC/ Registrar of Companies               | Registrar of Companies, Bangalore situated at 'E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore-560034, Karnataka, India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| SEBI                                      | Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| SEBI Act                                  | Securities and Exchange Board of India Act, 1992, as amended, from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Newjaisa ESOP Scheme 2023/ ESOP 2023      | Newjaisa Technologies Limited Employee Stock Option Scheme 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| SEBI SAST Regulations                     | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended, from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Stakeholders’ Relationship Committee      | The committee of our Board, constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder vide Board Resolution dated July 03, 2023, as disclosed under section titled ‘Our Management’ beginning on page 145 of this Red Herring Prospectus                                                                                                                                                                                                                                                                                                                                                         |
| Stock Exchange                            | Unless the context requires otherwise, refers to, National Stock Exchange of India Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Whole-time Director(s)                    | Whole-time Director(s) as specified in section 2(94) of the Companies Act,2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

#### Issue Related Terms

| Term                                    | Description                                                                                                                                                                                                                                                                                                |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Abridged Prospectus                     | Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.                                                                                                                                                                        |
| Acknowledgement Slip                    | The slip or documents issued by the Designated Intermediary to an applicant as proof of registration of the Application.                                                                                                                                                                                   |
| Allotment/Allot/Allotted                | Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful applicants.                                                                                                                                                                           |
| Allocation/ Allocation of Equity Shares | The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.                                                                                                                                                                                      |
| 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                                                                                                                     |
| Allottee (s)                            | A successful applicant to whom the Equity Shares are allotted.                                                                                                                                                                                                                                             |
| Anchor Investor(s)                      | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus who has Bid for an amount of at least ₹ 200 lakhs.                      |
| Anchor Investor Allocation Price        | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period. |

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Anchor Investor Application Form             | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus                                                                                                                                                                                                                                                                                    |
| Anchor Investor Bid/ Issue Period            | One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.                                                                                                                                                                                                                                                                                                                                                            |
| Anchor Investor Issue Price                  | The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price.<br>The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers.                                                                                                                              |
| Anchor Investor Portion                      | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.<br>One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. |
| AOC-4                                        | Form for filing financial statement and other documents with the Registrar pursuant to section 137 of the Companies Act, 2013 and sub-rule (1) of Rule 12 of Companies (Accounts) Rules, 2014                                                                                                                                                                                                                                                                                                                                    |
| Applicant/ Investor                          | Any prospective investor who makes an application pursuant to the terms of the Red Herring Prospectus and the Application form.                                                                                                                                                                                                                                                                                                                                                                                                  |
| Application Amount                           | The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                  |
| Application Form                             | The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                    |
| Application Supported by Block Amount (ASBA) | An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.                                                                                                                                                                                                                                          |
| ASBA Account                                 | A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.                                                                           |
| ASBA Specified Location(s)                   | Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time.                                                                                                                                                                                                                                                                                                         |
| ASBA Bidder                                  | Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process except Anchor Investor.                                                                                                                                                                                                                                                                                                                                                                                                           |
| ASBA Form/ Bid cum Application Form          | An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus Red Herring Prospectus or the Prospectus.                                                                                                                                                                                                                                                                    |
| Bankers to the Issue/ / Sponsor Bank         | 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 HDFC Bank Limited                                                                                                                                                                                                                                                                                                                                                     |
| Banker to the Issue Agreement                | Agreement dated September 11, 2023 entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.                                                                                                                                                                                                                                                                                                                                                                         |
| Basis of Allotment                           | The basis on which the Equity Shares will be Allotted to successful applicants under the issue and which is described in the section titled “Issue Procedure” beginning on page 258 of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                              |
| Bid                                          | An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications                                                                                                                |

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                            | thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form.<br>The term “Bidding” shall be construed accordingly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Bid Amount                                 | The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.                                                                                                                                                                                                                                                                           |
| Bid Lot                                    | 3,000 equity shares and in multiples of 3,000 equity shares thereafter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Bid/ Issue Closing Date                    | Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper “Financial Express”, all editions of Hindi national newspaper “Jansatta” and Bangalore Edition of Regional newspaper “Vishwani” where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations. |
| Bid/ Issue Opening Date                    | Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper “Financial Express”, all editions of Hindi national newspaper “Jansatta” and Bangalore Edition of Regional newspaper “Vishwani” where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.                  |
| Bid/ Issue Period                          | Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.                                                                                                                                                                                                                                             |
| Bidder/ Applicant                          | Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Bidding                                    | The process of making a Bid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Collection Centers                         | Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, ASBA Specified Locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Book Building Process                      | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| BRLM / Book Running Lead Manager           | Book Running Lead Manager to the Issue in this case being Indorient Financial Services Limited, SEBI Registered Category I Merchant Banker.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Broker Centers                             | Broker centres notified by the Stock Exchanges, where the 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Cap Price                                  | The higher end of the price band above i.e. ₹ 47 which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 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                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Cut Off Price                              | The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                          | Non-Institutional Investors are not entitled to Bid at the Cut-off Price.                                                                                                                                                                                                                                                                                                                                                                            |
| Demographic Details                      | The demographic details of the applicants such as their Address, PAN, name of the applicants 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.                                                                                                                                                                                                                                                              |
| Depositories Act                         | The Depositories Act, 1996, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                            |
| Designated CDP Locations                 | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.<br>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 website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>                                               |
| 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 the Red Herring Prospectus                                                                                                                                                                                                                                                                     |
| Designated Intermediaries                | 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                  | Nikunj Stock Brokers Limited                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 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 Stock Exchange                | National Stock Exchange of India Limited ("NSE Emerge")                                                                                                                                                                                                                                                                                                                                                                                              |
| DP ID                                    | Depository's Participant's Identity Number                                                                                                                                                                                                                                                                                                                                                                                                           |
| DP/ Depository Participant               | A depository participant as defined under the Depositories Act, 1996.                                                                                                                                                                                                                                                                                                                                                                                |
| Draft Red Herring Prospectus             | Draft Red Herring Prospectus dated August 1, 2023 filed with NSE Emerge.                                                                                                                                                                                                                                                                                                                                                                             |
| 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 Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.                                                                                                                                                                                                  |
| Equity Shares                            | Equity Shares of our Company of face value ₹ 5.00 each.                                                                                                                                                                                                                                                                                                                                                                                              |
| Electronic Transfer of Funds             | Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.                                                                                                                                                                                                                                                                                                                                                                                     |
| Eligible QFIs                            | QFIs from such jurisdictions outside India where it is not unlawful to make an issue 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.                                                                                                                          |
| Escrow Account(s)                        | The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.                                                                                                                                                                                                                                  |
| FII                                      | Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.                                                                                                                                                                                                                                                                           |
| First Bidder/ Applicant/ Bidders         | Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.                                                                                                                                                                                                                             |
| Floor Price                              | The lower end of the Price Band i.e. ₹ 44, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted                                                                                                                                                                                                                                      |
| FVCI / 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 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 |
| Fugitive Economic Offender               | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.                                                                                                                                                                                                                                                                                                                            |
| General Corporate Purposes               | Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by                                                                                                                                                                                                                                                                                       |



|                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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|                                                          | whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.                                                                                                                                                                                                                                                                                                                                              |
| General Information Document (GID)                       | <p>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 March 17, 2020 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and the UPI circular as amended from time to time.</p> <p>The General Information Document shall be available on the websites of the Stock Exchange and the BRLM.</p> |
| Issue Agreement                                          | The Issue Agreement dated July 31, 2023 between our Company and Book Running Lead Manager, Indorient Financial Services Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Issue/Public Issue/Issue size /Initial Public Offer/ IPO | The initial public offer of up to 84,96,000 Equity Shares aggregating up to ₹ [●] lakhs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Issue Closing Date                                       | The date after which the Lead Manager, Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be 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 September 27, 2023.                                                                                                                                                                                                                                      |
| Issue Opening Date                                       | The date on which the Lead Manager, 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 September 25, 2023                                                                                                                                                                                                                    |
| 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 Price                                              | The Price at which the Equity Shares are being issued by our Company under this Red Herring Prospectus being ₹ [●] per Equity share.                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Issue Proceeds                                           | Proceeds to be raised by our Company through this Issue, for further details please refer section titled “ <i>Objects of the Issue</i> ” beginning on page 83 of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                   |
| Listing Agreement                                        | The Equity Listing Agreement to be signed between our Company and the Stock Exchange.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Lot Size                                                 | 3,000 equity shares and in multiples of 3,000 equity shares thereafter.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Mandate Request                                          | Mandate Request means a request initiated on the Retail Individual Investor by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.                                                                                                                                                                                                                                                                                                                                                                             |
| Market Maker                                             | Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform. In our case, Nikunj Stock Brokers Limited is the sole Market. Maker                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Market Making Agreement                                  | The Market Making Agreement dated August 25, 2023 between our Company, Book Running Lead Manager and Market Maker, Nikunj Stock Brokers Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Market Maker Reservation Portion                         | The reserved portion of 4,26,000 Equity Shares of ₹ 5 each at an Issue price of ₹ [●] each is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this issue.                                                                                                                                                                                                                                                                                                                                                                                                                        |
| MGT-14                                                   | Filing of Resolutions and agreements to the Registrar pursuant to section 94(1), 117(1) of the Companies Act, 2013 and section 192 of The Companies Act, 1956 and rules made thereunder                                                                                                                                                                                                                                                                                                                                                                                                         |
| Mutual Funds                                             | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Mutual Fund Portion                                      | 5% of the Net QIB Portion, or upto 81,000 Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.                                                                                                                                                                                                                                                                                                                                                                               |
| Net Issue                                                | The Issue (excluding the Market Maker Reservation Portion) of 80,70,000 equity Shares of ₹ 5/- each at a price of ₹ [●] per Equity Share (the “ <b>Issue Price</b> ”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.                                                                                                                                                                                                                                                                                                                                          |
| Net Proceeds                                             | The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                    | expenses, please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 83 of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Net QIB Portion                                    | The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Non- Resident                                      | A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Non-Institutional Bidders                          | All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)                                                                                                                                                                                                                                                                                                                           |
| Non-Institutional Portion                          | The portion of the Issue being not less than 15% of the Issue, consisting of 12,12,000 Equity Shares, which shall be available for allocation on a proportionate basis to Non Institutional Investors, subject to valid Bids being received at or above the Issue Price.                                                                                                                                                                                                                                                                                  |
| 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.                                                                                                |
| Person/ 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.                                                                                                                                                                                            |
| Price Band                                         | Price Band of a minimum price (Floor Price) of ₹ 44 and the maximum price (Cap Price) of ₹ 47. The Price Band has been decided by our Company in consultation with the BRLM.                                                                                                                                                                                                                                                                                                                                                                              |
| Pricing Date                                       | The date on which our Company in consultation with the BRLM, will finalize the Issue Price.                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Prospectus                                         | The Prospectus, to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013, containing, inter alia, the Issue Price will be determined before filing the Prospectus with RoC                                                                                                                                                                                                                                                                                                                                     |
| Public Issue Account                               | Account to be opened with the Bankers to the Issue to receive monies from the SCsBs from the bank account of the Applicant, on the Designated Date.                                                                                                                                                                                                                                                                                                                                                                                                       |
| QIB Category/ QIB Portion                          | The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 40,32,000 Equity Shares aggregating to ₹ [●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors). |
| Qualified Institutional Buyers/QIBs/ QIB Bidders   | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Red Herring Prospectus / RHP                       | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.                                                                                                                                                                                                                                 |
| Refund Bank/ Refund Banker                         | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being HDFC Bank Limited.                                                                                                                                                                                                                                                                                                                                                                             |
| Registered Broker                                  | The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids.                                                                                                                                                                                                                                                                                                                                                                                                   |
| Registrar/ Registrar to the Issue/ RTA             | Registrar to the Issue being “Bigshare Services Private Limited”.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Registrar Agreement                                | The agreement dated July 31, 2023 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.                                                                                                                                                                                                                                                                                                                                              |
| Regulation S                                       | Regulation S under the U.S. Securities Act of 1933, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Reserved Category/ Categories                      | Categories of persons eligible for making application under reservation portion.                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Retail Individual Bidders/ RIBs/ Retail Individual | Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net Issue                                                                                                                                                                                                                                                                                                                                                                                               |

|                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investors/ RIIs                                      | (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Retail Portion                                       | The portion of the Issue being not less than 35% of the Net Issue, consisting of 28,26,000 Equity Shares, available for allocation to Retail Individual Bidders.                                                                                                                                                                                                                                                                                                                                                                                                            |
| Revision Form                                        | The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Applications 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.                                                                                                                                                                                                                                                                                                                                                   |
| SCSB Branches                                        | Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time                                                                                                                                                        |
| Securities laws                                      | Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.                                                                                                                                                                |
| SEBI ICDR Regulation/ Regulation                     | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                         |
| SEBI Act/ SEBI                                       | Securities and Exchange Board of India Act, 1992, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| SEBI Listing Regulations                             | The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                       |
| SEBI (SAST) Regulations                              | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Self-Certified Syndicate Bank(s) / SCSB(s)           | Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.                    |
| SME Exchange                                         | SME Platform of the NSE i.e. NSE Emerge.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| SPOS                                                 | Special Pre-Open Session                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Specified Securities                                 | Equity shares offered through this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Sponsor Bank                                         | Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.                                                                                                                                                                                                                                                        |
| Systemically Important Non-Banking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Transaction Registration Slip/TRS                    | The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.                                                                                                                                                                                                                                                                                                                                                                                                       |
| U.S. Securities Act                                  | U.S. Securities Act of 1933, as amended                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| US Fed                                               | The Federal Reserve System is the central bank of the United States                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Underwriter                                          | Indorient Financial Services Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Underwriting Agreement                               | The Agreement entered between the Underwriter, BRLM and our Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| UPI                                                  | UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account.                                                                                                                                                                                                                                                                   |
| UPI Circulars                                        | SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated |

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                           | March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and any subsequent circulars or notifications issued by SEBI in this regard.                                                                                                              |
| UPI ID                    | ID created on the UPI for single-window mobile payment system developed by the NPCI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| UPI Mechanism             | The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Venture Capital Fund/ VCF | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Wilful Defaulter(s)       | Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Working Day               | In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of–<br>(a) announcement of Price Band; and<br>(b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business;<br>(c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI. |

#### Technical and Industry Related Terms

| Term    | Description                                                                                                                                                     |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AI      | Artificial Intelligence                                                                                                                                         |
| AIO     | All in One                                                                                                                                                      |
| ARS     | Asset Recovery Services                                                                                                                                         |
| B2B     | Business-to-business                                                                                                                                            |
| CAD     | Current Account Deficits                                                                                                                                        |
| CAGR    | Compound Annual Growth Rate                                                                                                                                     |
| Capex   | Capital Expenditure                                                                                                                                             |
| CoE     | Centre of Excellence                                                                                                                                            |
| CPU     | Central Processing Unit                                                                                                                                         |
| CSR     | Corporate Social Responsibility                                                                                                                                 |
| D2C     | Direct-to-Consumer                                                                                                                                              |
| ESG     | Environmental, Social, & Governance                                                                                                                             |
| e-NAM   | National Agriculture Market or e-NAM (where e is to be construed as electronic or digital) is an online trading platform for agricultural commodities in India. |
| ECLGS   | Emergency Credit Linked Guarantee Scheme                                                                                                                        |
| ERP     | Enterprise resource planning (ERP) is a type of software system that helps organizations automate and manage core business processes for optimal performance    |
| GDP     | Gross Domestic Product                                                                                                                                          |
| GEM     | Government e-Marketplace                                                                                                                                        |
| GST     | Goods and Services Tax                                                                                                                                          |
| HaaS    | Hardware as a Service                                                                                                                                           |
| HP      | Hewlett-Packard                                                                                                                                                 |
| IoT     | Internet of things                                                                                                                                              |
| IT      | Information Technology                                                                                                                                          |
| ICT     | Information and communications technology                                                                                                                       |
| IMF     | International Monetary Fund                                                                                                                                     |
| JIIT    | Jaypee Institute of Information Technology                                                                                                                      |
| MAR     | Microsoft Authorized Refurbisher                                                                                                                                |
| MGNREGS | Mahatma Gandhi National Rural Employment Guarantee Scheme                                                                                                       |
| Mn      | Million                                                                                                                                                         |

|          |                                                                                                            |
|----------|------------------------------------------------------------------------------------------------------------|
| MSME     | Micro, Small, and Medium Enterprises                                                                       |
| MyScheme | MyScheme is a National Platform that aims to offer one-stop search and discovery of the Government schemes |
| NFHS     | National Family Health Survey                                                                              |
| OEM      | Original Equipment Manufacturers                                                                           |
| PCs      | Personal Computers                                                                                         |
| PM       | Prime Minister                                                                                             |
| PR       | Public Relation                                                                                            |
| QC       | Quality check                                                                                              |
| SFF      | Small form factor                                                                                          |
| SKU      | Stock Keeping Unit                                                                                         |
| SME      | Small and Medium Enterprise                                                                                |
| SFT      | Secure File Transfer                                                                                       |
| SOPs     | Standard Operating Procedures                                                                              |
| SWOT     | Strengths, Weaknesses, Opportunities and Threats                                                           |
| TrEDS    | Traffic Records Electronic Data System                                                                     |
| UI/ UX   | User interface / User experience                                                                           |
| UMANG    | Unified Mobile Application for New-age Governance                                                          |
| UNDP     | United Nations Development Programme                                                                       |
| UPI      | Unified Payment Interface                                                                                  |
| WEO      | World Economic Outlook                                                                                     |
| WTO      | World Trade Organization                                                                                   |

#### Conventional Terms and General Terms

| Term                            | Description                                                                                                                                                                                                                                                             |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AIF(s)                          | Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012                                                                                                   |
| AIF Regulations                 | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended                                                                                                                                                                    |
| Banking Regulation Act          | Banking Regulation Act, 1949                                                                                                                                                                                                                                            |
| CA                              | Chartered Accountant                                                                                                                                                                                                                                                    |
| Category I AIF                  | AIFs who are registered as “Category I Alternative Investment Funds” under the AIF Regulations                                                                                                                                                                          |
| Category I FPIs                 | FPIs who are registered as “Category I Foreign Portfolio Investors” under the FPI Regulations                                                                                                                                                                           |
| Category II AIF                 | AIFs who are registered as “Category II Alternative Investment Funds” under the AIF Regulations                                                                                                                                                                         |
| Category II FPIs                | FPIs who are registered as “Category II Foreign Portfolio Investors” under the FPI Regulations                                                                                                                                                                          |
| Category III AIF                | AIFs who are registered as “Category III Alternative Investment Funds” under the AIF Regulations                                                                                                                                                                        |
| CGST                            | Central GST                                                                                                                                                                                                                                                             |
| CS                              | Company Secretary                                                                                                                                                                                                                                                       |
| Competition Act                 | Competition Act, 2002                                                                                                                                                                                                                                                   |
| Consolidated FDI Policy         | Consolidation FDI Policy Circular of 2020 dated October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time |
| 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                                                                                                                    |
| CST Act                         | Central Sales Tax                                                                                                                                                                                                                                                       |
| EPF                             | Employee Provident Fund                                                                                                                                                                                                                                                 |
| FDI                             | Foreign Direct Investment                                                                                                                                                                                                                                               |
| FEMA                            | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder                                                                                                                                                                                       |
| FEMA Non-Debt Instruments Rules | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI                                                                                                                                                                   |
| FEMA Regulations                | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017                                                                                                                                                        |
| FII(s)                          | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India                                                                                              |

|                                    |                                                                                                                                                               |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FII Regulations                    | SEBI (Foreign Institutional Investors) Regulations, 1995, as amended                                                                                          |
| Fiscal Year/ Financial Year / F.Y. | Period of twelve months ended March 31 of that particular year, unless otherwise stated                                                                       |
| SEBI FVCI Regulations              | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended                                                       |
| Gazette                            | Gazette of India                                                                                                                                              |
| IND AS Rules                       | Indian Accounting Standards, Rules 2015                                                                                                                       |
| ICAI                               | Institute of Chartered Accountants of India                                                                                                                   |
| ICSI                               | Institute of Company Secretaries of India                                                                                                                     |
| IFSC Code                          | Indian Financial System Code                                                                                                                                  |
| IGST                               | Integrated Goods and Services Tax                                                                                                                             |
| IGST Act                           | Integrated Goods and Services Tax Act, 2017                                                                                                                   |
| IMF                                | International Monetary Fund                                                                                                                                   |
| India                              | Republic of India                                                                                                                                             |
| IND AS                             | Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 |
| ISIN                               | International Securities Identification Number                                                                                                                |
| ISO                                | International Organization for Standardization                                                                                                                |
| IST                                | Indian Standard Time                                                                                                                                          |
| Merchant Banker                    | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992                                              |
| Merchant Banker Regulations        | SEBI (Merchant Bankers) Regulations, 1992                                                                                                                     |
| Mutual Funds Regulations           | Securities and Exchange Board of India (Mutual Funds) Regulations, 1996                                                                                       |
| NSE                                | National Stock Exchange of India Limited                                                                                                                      |
| NOC                                | No objection certificate                                                                                                                                      |
| PAN                                | Permanent Account Number                                                                                                                                      |
| R&D                                | Research and Development                                                                                                                                      |
| RBI Act                            | Reserve Bank of India Act, 1934                                                                                                                               |
| Regulation S                       | Regulation S under the U.S. Securities Act                                                                                                                    |
| RTA Regulations                    | Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agent) Regulations, 1993                                                     |
| SEBI SBEBSE Regulations            | Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021                                                     |
| SCRA                               | Securities Contract (Regulation) Act, 1956, as amended, from time to time                                                                                     |
| SCRR                               | Securities Contracts (Regulation) Rules, 1957, as amended, from time to time                                                                                  |
| State Government                   | The government of a state in India                                                                                                                            |
| SGST                               | State Goods and Services Tax                                                                                                                                  |
| SGST Act                           | State Goods and Services Tax Act, 2017                                                                                                                        |
| SS                                 | Secretarial Standards as issued by Institute of Company Secretaries of India                                                                                  |
| Sub-account                        | Sub-accounts registered with SEBI under the FII Regulations other than sub-accounts which are foreign corporate or foreign individuals                        |
| TDS                                | Tax Deducted at Source                                                                                                                                        |
| UGST                               | Union Territory Goods and Services Tax                                                                                                                        |
| UGST Act                           | Union Territory Goods and Services Tax Act, 2017                                                                                                              |
| VCFs                               | Venture Capital Funds as defined in and registered with SEBI under the VCF Regulations                                                                        |

#### Abbreviations

| Terms                   | Descriptions                                                                   |
|-------------------------|--------------------------------------------------------------------------------|
| ₹ or Rupees or INR      | Rupees, the official currency of the Republic of India                         |
| A/c                     | Account                                                                        |
| AGM                     | Annual General Meeting                                                         |
| AS/Accounting Standards | Accounting Standards issued by the Institute of Chartered Accountants of India |
| A.Y.                    | Assessment year                                                                |
| CARO                    | Companies (Auditor's Report) Order, 2003                                       |
| CDSL                    | Central Depository Services (India) Limited                                    |
| CFO                     | Chief Financial Officer                                                        |
| CLB                     | Company Law Board                                                              |
| Cr PC                   | Criminal Procedure Code, 1973, as amended                                      |
| CSR                     | Corporate Social Responsibility                                                |
| C.Y.                    | Calendar Year                                                                  |

|                      |                                                                                                                                                                                                                                                                                                            |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DDT                  | Dividend Distribution Tax                                                                                                                                                                                                                                                                                  |
| DIN                  | Director Identification Number                                                                                                                                                                                                                                                                             |
| ECS                  | Electronic Clearing System                                                                                                                                                                                                                                                                                 |
| EBITDA               | Earnings before Interest, Tax Depreciation and Amortisation                                                                                                                                                                                                                                                |
| EGM                  | Extraordinary General Meeting of the Shareholders of the Company                                                                                                                                                                                                                                           |
| EPF Act              | Employees Provident Fund and Miscellaneous Provisions Act, 1952                                                                                                                                                                                                                                            |
| EPS                  | Earnings Per Share                                                                                                                                                                                                                                                                                         |
| FDI                  | Foreign Direct Investment                                                                                                                                                                                                                                                                                  |
| GAAR                 | General Anti Avoidance Rules                                                                                                                                                                                                                                                                               |
| GBP                  | Great Britain Pound                                                                                                                                                                                                                                                                                        |
| GoI/Government       | Government of India                                                                                                                                                                                                                                                                                        |
| GST                  | Goods & Service Tax                                                                                                                                                                                                                                                                                        |
| HNI                  | High Net Worth Individual                                                                                                                                                                                                                                                                                  |
| HUF                  | Hindu Undivided Family                                                                                                                                                                                                                                                                                     |
| IFRS                 | International Financial Reporting Standards                                                                                                                                                                                                                                                                |
| IT Rules             | The Income Tax Rules, 1962, as amended                                                                                                                                                                                                                                                                     |
| ISACA                | Information Systems Audit and Control Association                                                                                                                                                                                                                                                          |
| MoU                  | Memorandum of Understanding                                                                                                                                                                                                                                                                                |
| N.A.                 | Not Applicable                                                                                                                                                                                                                                                                                             |
| NAV/ Net Asset Value | Net asset value being paid up Equity Share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares |
| NECS                 | National Electronic Clearing Services                                                                                                                                                                                                                                                                      |
| NoC                  | No Objection Certificate                                                                                                                                                                                                                                                                                   |
| No.                  | Number                                                                                                                                                                                                                                                                                                     |
| NSDL                 | National Securities Depository Limited                                                                                                                                                                                                                                                                     |
| NTA                  | Net Tangible Assets                                                                                                                                                                                                                                                                                        |
| p.a.                 | Per annum                                                                                                                                                                                                                                                                                                  |
| PAT                  | Profit After Tax.                                                                                                                                                                                                                                                                                          |
| PBT                  | Profit Before Tax.                                                                                                                                                                                                                                                                                         |
| P/E                  | Price per Earnings                                                                                                                                                                                                                                                                                         |
| Pvt.                 | Private.                                                                                                                                                                                                                                                                                                   |
| RoE                  | Return on Equity                                                                                                                                                                                                                                                                                           |
| RoNW                 | Return on Net Worth.                                                                                                                                                                                                                                                                                       |
| SCN                  | Show Cause Notice.                                                                                                                                                                                                                                                                                         |
| STT                  | Securities Transaction Tax                                                                                                                                                                                                                                                                                 |
| US/United States     | United States.                                                                                                                                                                                                                                                                                             |
| USD/ US\$/ \$        | United States Dollar, the official currency of the United States of America                                                                                                                                                                                                                                |
| w.e.f.               | With effect from                                                                                                                                                                                                                                                                                           |
| YoY                  | Year on Year.                                                                                                                                                                                                                                                                                              |

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms defined –

- a) In the section titled '*Risk Factors*' beginning on page 29 of this Red Herring Prospectus, shall have the meaning given to such terms in that section;
- b) In the section titled '*Statement of Possible Tax Benefits*' beginning on page 102 of this Red Herring Prospectus, shall have the meaning given to such terms in that section;
- c) In the section titled '*Our Industry*' beginning on page 106 of this Red Herring Prospectus, shall have the meaning given to such terms in that section;
- d) In the section titled '*Key Industry Regulations and Policies*' beginning on page 129 of this Red Herring Prospectus, shall have the meaning given to such terms in that section;
- e) In the section titled '*Financial Information*' beginning on page 173 of this Red Herring Prospectus, shall have the meaning given to such terms in that section;
- f) In the section titled '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page 214 of this Red Herring Prospectus, shall have the meaning given to such terms in that section; and

- g) In the section titled '*Outstanding Litigations and Material Developments*' beginning on page 226 of this Red Herring Prospectus, shall have the meaning given to such terms in that section;
- h) In the section titled '*Main Provisions of the Articles of Association*' beginning on page 287 of this Red Herring Prospectus, shall have the meaning given to such terms in that section;



## **CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION AND MARKET DATA**

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Newjaisa Technologies Limited” and “Newjaisa”, unless the context otherwise indicates or implies, refers to Newjaisa Technologies Limited.

### **CERTAIN CONVENTIONS**

All references in this Red Herring Prospectus to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the Restated Financial Statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, 2013 Indian GAAP and restated in accordance with ICDR Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘*Financial Information*’ beginning on page 173 of this Red Herring Prospectus. Our Restated Financial Statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013, and have been restated in accordance with the ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2019) issued by ICAI as amended from time to time.

Our Financial Year commences on April 1<sup>st</sup> of each year and ends on March 31<sup>st</sup> of the following year, so all references to a particular Financial Year are to the 12month period ended March 31<sup>st</sup> of that year. In this Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off. Further, figure represented in the BRACKET or with the sign “ – ” indicates NEGATIVE data in this Red Herring Prospectus in relation to our Company and industry. There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the Restated Financial Statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices/ Indian GAAP, the Companies Act, 2013 and the ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

All figures in decimals (including percentages) have been rounded off up to Second decimals and all percentage figures have been rounded off to two decimal places. In certain instances, discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Any percentage amounts, as set forth in the section titled ‘*Risk Factors*’, sections titled ‘*Our Business*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ beginning on page 29 nos. 119 and 214 of this Red Herring Prospectus, respectively, and elsewhere in this Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013 and restated in accordance with the ICDR Regulations.

### **CURRENCY AND UNITS OF PRESENTATION**

In Red Herring Prospectus, unless the context otherwise requires, all references to;

- ‘Rupees’ or ‘Rs.’ Or ‘INR’ or ‘₹’ are to Indian rupees, the official currency of the Republic of India.
- ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

All references to the word “Lakh/ Lakhs or Lac” means “One Hundred Thousand”, the word “Crore/Crores” means “Hundred Lakhs”, the word “Million (million) or Mn” means “Ten Lakhs”, the word “Crores” means “Ten Million” and the word “Billion (bn)” means “One Hundred Crores”.

Our Company has presented certain numerical information in this Red Herring Prospectus in “Lakhs” units. One lakh represents 1,00,000. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

## **TIME**

All references to time in this Red Herring Prospectus are to Indian Standard Time.

## **INDUSTRY AND MARKET DATA**

Unless stated otherwise, the industry and market data and forecasts used throughout this Red Herring Prospectus has been obtained from internal company reports, industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications 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. Further, the extent to which the industry and market data presented in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Although, we believe industry and market data used in the Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM 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 industry sources.

In accordance with the SEBI ICDR Regulations the section titled "*Basis for Issue Price*" on page 95 of this Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

## FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “forward-looking statements”. All statements contained in this Red Herring 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 generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “seek to”, “shall”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us in this Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to corresponding risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement, including but not limited to, regulatory changes pertaining to the industries we serve and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Our commercial success is largely dependent upon our ability to successfully anticipate market needs and leverage our systems, processes and operations to upgrade, develop, enhance existing products and introduce new products that meets our customer’s requirements.
- Our expansion into new product categories and an increase in the number of products offered by us may expose us to new challenges and more risks.
- One of the objects of our issue is to undertake expenditure towards branding and marketing via social media channels to increase sales and growth.
- Our inability to maintain product quality, attractive pricing and delivery schedules could result in loss of market share, brand value, thereby impacting our sales, also leading to warranty claims and replacement cost.
- Our operations are labour intensive and could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.
- Our industry is competitive and we face significant competition from both established and un-organised companies offering refurbished products, which may have a negative effect on our ability to add new customers, retain existing customers and grow our business. Our inability to compete effectively will adversely affect our business, results of operations, financial condition and cash flows
- Failure to obtain or renew the required accreditations, licenses and permits from government, regulatory authorities in a timely manner; and to comply with changes in laws, regulations, government policies and regulatory actions relating to the sectors/ areas in which we operate will adversely affect our business, results of operations, financial condition and cash flows.

For further discussion of factors that could cause the actual results to differ from the expectations, please refer the ‘*Risk Factors*’, ‘*Our Business*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ beginning on page 29, 119 and 214, respectively. 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 and are not a guarantee of future performance.

Forward-looking statements reflect our current views as of the date of this Red Herring Prospectus and are not a guarantee of our future performance. 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.

These statements are based on our management’s belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Promoter, our Directors, the Book Running Lead Manager 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 the requirements of SEBI, our Company (in respect of statements/ disclosures made by them in this Red Herring Prospectus) shall ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the date of Allotment.

## SECTION II: SUMMARY OF THE RED HERRING PROSPECTUS

*This section is a general summary of certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or the Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Our Industry”, “Our Business”, “Outstanding Litigations and Material Developments”, “Issue Procedure”, and “Main Provisions Of Articles Of Association” beginning on pages 29, 49, 68, 83, 106, 119, 226, 258 and 287 respectively of this Red Herring Prospectus.*

### A. OVERVIEW OF INDUSTRY

*(Source: Global Market Outlook)*

Refurbished laptops segment is expected to dominate the global refurbished computers and laptops market and will contribute the largest share of 74.2% in 2023. The segment will create opportunity of US\$ 23,782.7 Mn during the forecast period. The refurbished laptops segment would be the most attractive segment during the forecast period. The refurbished desktop computers segment is expected to grow at a CAGR of 8.4% during forecast period.

*For further details please refer the section titled ‘Our Industry’ beginning on page 106 of this Red Herring Prospectus.*

### B. OVERVIEW OF BUSINESS

Started in 2020, we are a Technology driven Direct to consumer refurbished IT electronics company providing quality refurbished electronics at significant discount as compared to new products. Our business model encompasses end to end reverse supply chain for IT assets. It involves procuring used IT assets (laptops, desktops and peripherals), refurbishing them to as close to new computer condition, and selling them directly to end use customers – businesses or retail. We currently are focused and operate in Indian market and cater to our Pan India customer base via ecommerce and our online platforms. Our business is helping us to reduce growing e-waste problem on one hand and, at same time, help serve large underserved Indian population that currently has low personal computing ownership, by delivering quality product at very affordable prices with service guarantee via our warranties.

### C. OUR PROMOTERS

As on date of this Red Herring Prospectus, our Promoters are Mr. Vishesh Handa and Mr. Mukunda Raghavendra.

*For further details please refer the section titled ‘Our Promoters and Promoter Group’ beginning on page 165 of this Red Herring Prospectus.*

### D. DETAILS OF THE ISSUE

#### Fresh Issue:

|                      |                                                                                                                                                                       |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue <sup>(1)</sup> | Fresh Issue of up to 84,96,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to ₹ [●] Lakhs |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|

*(1) The Issue has been authorized by a resolution of our Board dated July 07, 2023 and by our Shareholders pursuant to a special resolution passed on July 10, 2023.*

The Issue shall constitute [●] % of the post-Issue paid-up Equity Share capital of our Company. For further details, please see “The Issue” and “Capital Structure” on page 49 and 68 respectively.

#### Offer for Sale:

There is no offer for sale as our Company is making only a Fresh Issue.

#### Price Band

The Floor Price is ₹ 44 per Equity Share which is 8.8 times of the Face Value and the Cap Price is ₹ 47 per Equity Share which is 9.4 times of the Face Value.

## E. OBJECT OF THE ISSUE

Our Company intends to utilize the Net Proceeds of the Issue (Issue Proceeds less the issue expenses) towards the following objects:

(₹ in Lakh)

| Sr. No. | Particulars                                                                        | Estimated Amount* | % of Gross Proceed | % of Net Proceed |
|---------|------------------------------------------------------------------------------------|-------------------|--------------------|------------------|
| 1       | Expansion of refurbishment facility and purchase of plant, machinery and equipment | 100.00            | [●]                | [●]              |
| 2       | Investment in technology development                                               | 200.00            | [●]                | [●]              |
| 3       | Branding & Marketing                                                               | 200.00            | [●]                | [●]              |
| 4       | Funding Working Capital requirement                                                | 1,545.44          | [●]                | [●]              |
| 5       | Repayment of Bank facilities                                                       | 730.00            | [●]                | [●]              |
| 6       | General Corporate purposes #                                                       | [●]               | [●]                | [●]              |
|         | <b>TOTAL (Net Proceeds)</b>                                                        | [●]               | [●]                | [●]              |

#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Fresh issue.

\*To be updated in the Prospectus prior to filing with RoC.

## F. PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP

The aggregate pre-Issue shareholding of our Promoter as a percentage of the pre-Issue paid-up Equity Share capital of our Company is set out below:

| Sr. No.            | Name of the Shareholder | *Pre-Issue                   |                                                 |
|--------------------|-------------------------|------------------------------|-------------------------------------------------|
|                    |                         | Number of Equity Shares held | % of the pre-Issue paid-up Equity Share Capital |
| (A) Promoter       |                         |                              |                                                 |
| 1.                 | Mr. Vishesh Handa       | 2,12,03,690                  | 89.51                                           |
| 2.                 | Mr. Mukunda Raghavendra | 11,16,062                    | 4.71                                            |
|                    | <b>Total (A)</b>        | <b>2,23,19,752</b>           | <b>94.22</b>                                    |
| (B) Promoter Group |                         |                              |                                                 |
|                    | Mrs. Ankita Handa       | 62                           | Negligible                                      |
|                    | Mrs. Kiran Handa        | 62                           | Negligible                                      |
|                    | Mr. Arun Handa          | 62                           | Negligible                                      |
|                    | <b>Total (B)</b>        | <b>186</b>                   | <b>Negligible</b>                               |
|                    | <b>Total (A) + (B)</b>  | <b>2,23,19,938</b>           | <b>94.23</b>                                    |

\*After share split and bonus issue.

## G. SUMMARY OF FINANCIAL INFORMATION

Based on Restated Financial Statements:

(₹ in lakhs)

| Particulars                                                                  | For the year ended March 31 |          |        |
|------------------------------------------------------------------------------|-----------------------------|----------|--------|
|                                                                              | 2023                        | 2022     | 2021   |
| Share Capital                                                                | 36.00                       | 36.00    | 1.00   |
| Net Worth                                                                    | 930.12                      | 254.55   | 74.36  |
| Revenue from Operation                                                       | 4,452.98                    | 2,791.90 | 960.67 |
| Total Income                                                                 | 4,453.23                    | 2,792.50 | 960.71 |
| Profit After Tax                                                             | 675.57                      | 180.19   | 73.36  |
| <b>Earnings per share (basic and diluted) (Face Value ₹ 5/- each) (in ₹)</b> |                             |          |        |
| (i) Basic                                                                    | 3.03                        | 0.81     | 0.33   |
| (ii) Diluted                                                                 | NA                          | NA       | NA     |
| Net asset value (NAV) per Equity Share (in ₹)                                | 4.17                        | 1.14     | 0.34   |
| Total borrowings                                                             | 743.70                      | 181.82   | 162.64 |

- 1) Net Worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets as

attributable to the owners of the holding company as on March 31, 2023. Net worth represents equity attributable to owners of the holding company and does not include amounts attributable to non-controlling interests.

- 2) Basic & Diluted earnings per share (Rs) -Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
- 3) Net assets value per share – Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year.
- 4) Total Borrowing – aggregate value of Long term borrowing and short term borrowings

For further details, see “Restated Financial Statements” on page 173.

## H. AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

The Auditor report of Restated Financial Statements of our Company, for the Financial Year ended on March 31 2023, 2022 and 2021 does not contain any qualification which have not been given effect to in Restated Financial Statements.

## I. SUMMARY OF OUTSTANDING LITIGATIONS

Except as stated below, as on the date of this Red Herring Prospectus, there are no outstanding litigations against our Company, Directors, Promoters and/or there are no outstanding litigations filed by our Company, Directors, Promoters:

| Nature of Proceedings                      | Number of cases | Amount involved* (₹. in lakhs) |
|--------------------------------------------|-----------------|--------------------------------|
| <b>Against the company</b>                 |                 |                                |
| Direct Tax (Income Tax)                    | 1               | 13.35                          |
| Indirect Tax                               | Nil             | Nil                            |
| <b>Filed by the company</b>                |                 |                                |
| Direct Tax (Income Tax)                    | Nil             | Nil                            |
| Indirect Tax                               | Nil             | Nil                            |
| <b>Total</b>                               | <b>1</b>        | <b>13.35</b>                   |
| <b>Against the Promoters and Directors</b> |                 |                                |
| <b>Mr. Vishesh Handa</b>                   |                 |                                |
| Direct Tax (Income Tax)                    | 1               | 19.79                          |
| Indirect Tax                               | Nil             | Nil                            |
| <b>Total</b>                               | <b>1</b>        | <b>19.79</b>                   |

For further details in relation to legal proceedings involving our Company, Promoters and Directors, please refer section titled ‘Outstanding Litigations and Material Developments’ on beginning page 226 of this Red Herring Prospectus.

## J. RISK FACTORS

Please refer the section titled ‘Risk Factors’ beginning on page 29 of this Red Herring Prospectus.

## K. SUMMARY OF CONTINGENT LIABILITIES

The details of contingent liabilities as at March 31, 2023 is set forth in the below table:

| Particulars                                                   | As at          |                |                |
|---------------------------------------------------------------|----------------|----------------|----------------|
|                                                               | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Contingent liabilities in respect of TDS & Income Tax matters | 13.35          | Nil            | Nil            |
| <b>Total</b>                                                  | <b>13.35</b>   | <b>Nil</b>     | <b>Nil</b>     |

(₹ in Lakhs)

For further details, please refer to Note Annexure-XXVII – Contingent Liabilities of the section titled “Financial Information” of the” on page 173 of this Red Herring Prospectus.

## L. SUMMARY OF RELATED PARTY TRANSACTIONS

The summary detail of the related party transactions entered by our Company as per the Restated Financial Statements for the Financial Year ended on March 31, 2023, 2022, and 2021.

## List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

| Name                    | Nature of Relationship                                                                                                                                          |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mukunda Raghavendra     | Director - since March 03, 2023                                                                                                                                 |
| Prathibha               | Director - upto February 10, 2023                                                                                                                               |
| Vishesh Handa           | Director - since September 01, 2021 (Previous Appointment dated March 16, 2021 and ceased to be director dated July 01, 2021)                                   |
| Ankita Handa            | Director - since January 13, 2023                                                                                                                               |
| Arun Kumar Handa        | Relatives of the Directors                                                                                                                                      |
| Kiran Handa             | Relatives of the Directors                                                                                                                                      |
| Rajalakshmi Gururajan   | Relatives of the Directors                                                                                                                                      |
| Vijay Kumar             | Relatives of the Directors                                                                                                                                      |
| Vanshya Enterprises LLP | Mr. Vishesh Handa and Mrs. Ankita Handa are designated partners and have profit sharing ratio of their respective contribution made in Vanshya Enterprises LLP. |

(₹ in Lakhs)

| Name                    | Nature of Transaction                                            | For the year Financial Year ended March 31 |        |        |
|-------------------------|------------------------------------------------------------------|--------------------------------------------|--------|--------|
|                         |                                                                  | 2023                                       | 2022   | 2021   |
| Vishesh Handa           | Directors Remunerations                                          | 20.00                                      | 11.76  | -      |
|                         | Unsecured loan from Director Received                            | 86.89                                      | 281.88 | 283.19 |
|                         | Unsecured loan from Director Repaid                              | 118.27                                     | 314.92 | 215.50 |
| Vanshya Enterprises LLP | Trade Advance for Supply of Materials / Services (Net of Supply) | 8.76                                       | 5.35   | 1.45   |
| Vanshya Enterprises LLP | Loan from related party received                                 | -                                          | -      | 530.30 |
|                         | Loan from related party repaid                                   | -                                          | -      | 530.30 |
| Prathibha               | Directors Remunerations                                          | -                                          | 10.00  | 10.02  |
|                         | Unsecured loan from Director (net of repayment)                  | 19.32                                      | -      | -      |
| Mukunda Raghavendra     | Salary to Relative of Director                                   | 19.00                                      | 11.76  | 10.99  |
| Arun Kumar Handa        | Professional Charges paid to the Relative of the Director        | -                                          | 10.00  | 10.00  |
| Kiran Handa             | Professional Charges paid to the Relative of the Director        | -                                          | 10.00  | 10.00  |
| Rajalakshmi Gururajan   | Professional Charges paid to the Relative of the Director        | -                                          | 10.00  | 10.00  |

For further details in relation of the same, please refer the section titled 'Restated Financial Statements' beginning on page 173 of this Red Herring Prospectus.

## M. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoters, members of Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 (six) months immediately preceding the date of filing of this Red Herring Prospectus.

**N. WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES ACQUIRED BY EACH OF OUR PROMOTERS IN THE LAST 1 (ONE) YEAR PRECEDING THE DATE OF THIS RED HERRING PROSPECTUS.**

| Name of the Person      | Number of Equity Shares Acquired | Weighted average price per equity share (In ₹) |
|-------------------------|----------------------------------|------------------------------------------------|
| Mr. Vishesh Handa       | 2,09,15,690                      | 0.18                                           |
| Mr. Mukunda Raghavendra | 11,16,062                        | 0.000009                                       |

*Note: Pursuant to the certificate dated September 15, 2023, issued by, M/s. Abhilashi & Co Chartered Accountants*

**O. AVERAGE COST OF ACQUISITION OF SHARES**

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

| Name of the Promoters   | No. of Equity Shares held | Average cost of acquisition (in ₹) <sup>##</sup> |
|-------------------------|---------------------------|--------------------------------------------------|
| Mr. Vishesh Handa       | 2,12,03,690               | 0.18                                             |
| Mr. Mukunda Raghavendra | 11,16,062                 | 0.000009                                         |

*\* Pursuant to the certificate dated September 15, 2023, issued by M/s. Abhilashi & Co, Chartered Accountants*

*# Computed based on the Equity Shares acquired/allotted/purchased (including acquisition pursuant to transfer). However, the Equity Shares disposed of have not been considered while computing number of Equity Shares held.)*

**P. WEIGHTED AVERAGE COST OF ACQUISITION OF ALL SHARES TRANSACTED IN THE THREE YEARS, 18 MONTHS AND ONE YEAR PRECEDING THE DATE OF THIS RED HERRING PROSPECTUS**

| Period         | Weighted Average Cost of Acquisition (in ₹) | Cap Price is 'X' times the Weighted Average Cost of Acquisition <sup>^</sup> | Range of acquisition price: Lowest Price* - Highest Price (in ₹) |
|----------------|---------------------------------------------|------------------------------------------------------------------------------|------------------------------------------------------------------|
| Last 1 year    | 2.18                                        | 21.56                                                                        | Nil-36.56                                                        |
| Last 18 months | 2.18                                        | 21.56                                                                        | Nil-36.56                                                        |
| Last 3 years   | 2.11                                        | 22.27                                                                        | Nil-36.56                                                        |

*Pursuant to the certificate dated September 15, 2023, issued by M/s. Abhilashi & Co, Chartered Accountants*

*The above figures are adjusted for split and bonus.*

*\*'Nil' represents bonus*

**Q. ACQUISITION OF EQUITY SHARES IN THE LAST THREE YEARS**

The details of price at which equity shares were acquired by Promoters and the members of the Promoter Group in the last three years preceding the date of this Red Herring Prospectus is set forth below:

| Name of Shareholders                         | Nature of Acquisition | Date of Acquisition | Number of Equity Shares Acquired | Face Value (in ₹) | Acquisition Price Per Equity Share (in ₹)* |
|----------------------------------------------|-----------------------|---------------------|----------------------------------|-------------------|--------------------------------------------|
| <b>Promoters</b>                             |                       |                     |                                  |                   |                                            |
| Mr. Vishesh Handa                            | Transfer              | February 18, 2022   | 2,88,000                         | 10                | Nil**                                      |
|                                              | Transfer              | February 10, 2023   | 54,000                           | 10                | 71.39/- <sup>^^</sup>                      |
|                                              | Bonus Issue           | July 17, 2023       | 2,05,19,700                      | 5                 | Nil <sup>^</sup>                           |
| Mr. Mukunda Raghavendra                      | Transfer              | May 04, 2023        | 1                                | 10                | 10/- <sup>#</sup>                          |
|                                              | Transfer              | June 19, 2023       | 18000                            | 10                | NIL**                                      |
|                                              | Bonus Issue           | July 17, 2023       | 10,80,060                        | 5                 | Nil                                        |
| <b>Promoter Group (other than Promoters)</b> |                       |                     |                                  |                   |                                            |
| Mr. Arun Kumar Handa                         | Transfer              | May 04, 2023        | 1                                | 10                | 10/- <sup>#</sup>                          |
|                                              | Bonus Issue           | July 17, 2023       | 60                               | 5                 | Nil <sup>^</sup>                           |
| Mrs. Kiran Handa                             | Transfer              | May 04, 2023        | 1                                | 10                | 10/- <sup>#</sup>                          |
|                                              | Bonus Issue           | July 17, 2023       | 60                               | 5                 | Nil <sup>^</sup>                           |
| Mrs. Ankita Handa                            | Transfer              | May 04, 2023        | 1                                | 10                | 10/- <sup>#</sup>                          |
|                                              | Bonus Issue           | July 17, 2023       | 60                               | 5                 | Nil <sup>^</sup>                           |

*\*As certified by M/s. Abhilashi & Co, Chartered Accountants, by way of their certificate dated September 15, 2023*

*\*\*Equity Shares transferred through gift.*

*#Equity Shares transferred at face value of ₹10 per equity share.*

*^Equity Shares issued pursuant to a bonus issue of Equity Shares in the ratio of 30 Equity Shares for 1 existing Equity Shares held, authorised by a resolution of our Board dated July 07, 2023 and a resolution of our Shareholders dated July 10, 2023.*



^^Equity Shares transferred at ₹ 71.39/- per equity share.

**R. DETAILS OF PRE-IPO PLACEMENT**

Our Company has not made any pre-IPO placement. Further, our Company does not contemplate any issuance or placement of Equity Shares from the date of this Red Herring Prospectus till the listing of the Equity Shares.

**S. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST 1 (ONE) YEAR**

Other than as disclosed in the section “*Capital Structure*” on page 68, our Company has not issued any Equity Shares for consideration other than cash except bonus issue in the 1 (one) year preceding the date of this Red Herring Prospectus.

**T. SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST 1 (ONE) YEAR**

Pursuant to a resolution of our Board dated July 03, 2023 and Shareholders’ resolution dated July 06, 2023, 1 (one) equity shares of face value of ₹ 10 each of our Company were sub-divided into 2 (two) equity shares of face value of ₹ 5 each. Consequently, the issued and subscribed share capital of our Company comprising 1,18,43,736 equity shares of face value of ₹ 10 each was sub-divided into 2,36,87,472 equity shares of face value of ₹ 5 each. Other than this, our Company has not undertaken any split or consolidation of Equity Shares in one year preceding the date of this Red Herring Prospectus

For further details, see “*Capital Structure*” on page 68

**U. EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not applied to SEBI for any exemption from complying with any provisions of securities laws, as on the date of this Red Herring Prospectus.

### SECTION III: RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares.*

*The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Red Herring Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections titled 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on page 119 and 214 of this Red Herring Prospectus respectively as well as other financial and statistical information contained in this Red Herring Prospectus.*

**This Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Red Herring Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with Restated Financial Statements of our Company prepared in accordance with the Companies Act, 2013 and restated in accordance with the ICDR Regulations, including the schedules, annexure and notes thereto.**

#### **Materiality**

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

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this section, please refer to the section titled 'Definitions and Abbreviations' as described on the beginning of page 6 of this Red Herring Prospectus

The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

In this Red Herring Prospectus, discrepancies, if any, between total and the sums of the amount listed are due to rounding off.

#### **INTERNAL RISKS FACTORS:**

- 1. Our commercial success is largely dependent upon our ability to successfully anticipate market needs and utilize and manage our resources to upgrade and enhance existing products, develop and introduce new products that meet the end users' needs on a timely basis. Any failure to do so, might impact our ability to compete effectively and could make our products obsolete, thereby adversely affecting our revenue, reputation, financial conditions, results of operations and cash flow**

Our market is characterized by rapid technological change, evolving industry standards, and changing regulations, as well as changing customer needs, requirements, and preferences. The success of our business is dependent, in part, on our ability to anticipate, adapt, and respond effectively to these changes on a timely and cost-effective basis. The success of any enhancement to our existing products or the deployment of new products depends on several factors, including the timely completion and market acceptance of our offerings. Any enhancement to our existing offerings or new offerings that we develop and introduce involves significant commitment of time and resources and is subject to a number of risks and challenges including:

- ensuring the timely release and availability of new products
- resolving defects, errors, or failures in our products
- ensure seamless supply chain process to manage logistics and deliveries to end customers

Although there have been no such instances/issues in the past wherein we have failed to anticipate, adapt, and respond effectively to the changes in the market needs on a timely and cost-effective basis or failed to successfully manage the risks and challenges in relation to new offerings, or where our new products were not competitive, however, in the event if we are not successful in managing these risks and challenges, or if our new offerings are not competitive or do not achieve market acceptance, our business, financial condition, and results of operations could be adversely affected.

**2. *We do not have long-term agreements with our suppliers and an inability to procure the desired quality, quantity of our IT Supplies in a timely manner and at reasonable costs, or at all, may have a negative impact on our business, results of operations, financial.***

Our purchases of IT Supplies are concentrated from a few suppliers with our top 10 suppliers contributing 85.69%, 67.73 % and 95.20% of the total purchases of IT Supplies during the Fiscal 2023, 2022 and 2021 respectively. Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of IT supplies at acceptable prices. The absence of long-term supply contracts subjects us to risks such as price volatility caused by various factors.

Further there is a ban on import of used computers and computer peripherals as the Ministry of Commerce has restricted the import of used computers including personal computers/ laptops and refurbished/reconditioned spares for use in domestic market. As a result, we continue to remain susceptible to the risks arising out of price of IT Supplies, which could result in a decline in our operating margins. If we cannot fully offset the increase in prices of IT Supplies with increase in the prices for our products, we will experience lower profit margins, which in turn may have a material adverse effect on our results of operations, financial condition and cash flows. In the absence of such contracts, we are also exposed to the risk of unavailability of IT Supplies in desired quantities and qualities, in a timely manner and that can have an adverse effect on our business and reputation.

Further, we cannot assure you of our ability to enter into any agreements with our existing suppliers on terms acceptable to us, which could have an adverse effect on our ability to source IT Supplies in a commercially viable and timely manner which may impact our business and profitability.

In addition, if all or a significant number of our suppliers for any particular IT Supplies are unable or unwilling to meet our requirements or if our estimates fall short of the demand, we could suffer shortages or significant cost increases. Continued supply disruptions in IT Supplies could exert pressure on our costs, and we cannot assure you that all or part of any increased costs can be passed along to our customers in a timely manner or at all, which could negatively affect our business, overall profitability and financial performance.

**3. *Failure to manage our inventory and increase in the prices of used computer and laptops and other related products (“Inputs”) could raise our cost of refurbished products and could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

The results of operations of our business are dependent on our ability to effectively manage our inventory and to estimate our sales based on the demand and customer product preferences specifications. To effectively manage our inventory, we must be able to accurately estimate customer demand and accordingly manage supply side procurements of IT assets and inventory of spares. Our inability to accurately estimate demand and manage our supply chain process could result in shortage of products and inability to meet demand or excess inventory which will impacts our business, financial condition and results of operations.

Further, if we fail to sell the inventory we purchase, we may be required to write-down our inventory, which could have an adverse impact on our financial statements.

If we over-stock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand may be adversely affected. Any mismatch in our inventory planning could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results.

We have no control on the prices of input components such as RAM, Hard-disk etc that are used in the refurbishment process. The prices of these items fluctuate due to demand and supply factors. Such fluctuations in prices of Inputs and our inability to negotiate at optimum rates may affect our profitability. To remain competitive, we may not be able to pass on any increase in cost of such inputs to our clients and may thereby affect our margins and profitability, resulting in a adverse effect on our business, financial condition and results of operations.

**4. *Disruptions in supply -chain logistics can impact our sales and results of operation***

We use third party transportation providers for the delivery of supplies as well as dispatch of products to customers including reverse logistics to handle returns from customers. We do not have any long term contract with such third party logistics providers for the deliveries and returns from the customers. Apart from Covid19 induced disruption period, we have not experienced any significant disruption with third party logistics service providers. However, it's imperative to acknowledge the potential impact should these third-party logistics providers encounter operational disruptions, display reluctance to fulfill assigned tasks, or become inaccessible to support our operations. Such circumstances have the potential to impede our company's ability to adhere to its projections and forecasts.

**5. *We provide guarantees and warranties on our products. A significant increase in returns and activation of warranty provisions by customers may impact our business and results from operations.***

As part of our business, we have a policy to provide product guarantees and warranties to our customers. Some of these policies are supported by warranty policies of online e-commerce channels we use to sell our products.

Cost of merchandise returns in an e-commerce business is mainly absorbed by the business. This includes cost of delivery, freight and risk of fraud returns that may lead to additional cost. In some cases, the returned inventory is not suitable for resale which further impacts our overall margins.

Disputes over warranties of our products can arise in the ordinary course of our business. In extreme situations, we may be exposed to various liabilities relating to non performance of our products. We may experience material product liability losses, and we may be unable to defend these claims at a contained level of cost or at all. The cost of product replacements or product returns in the future may be substantial, particularly given our increasing product categories and models, and we could incur substantial costs to implement modifications or replace products. As per the Restated Financial Statement, an amount of ₹ 1.04 Lakh has been provided in FY 2023 towards warranty liabilities

**6. *Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken.

In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any, fraud or misappropriation by our employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

**7. *Intellectual property rights are important to our business. Failure to get approval for intellectual property rights may adversely affect our business. We may be unable to protect them from being infringed by others, including our current and / or future competitors/employees which may adversely affect our business value, financial condition and results of operations.***

Our Company has applied for registration of our trademarks and corporate logo “” (Wordmark and Device), with the Trademarks Registry, out which the application for registration of “” Device is objected and the application for registration of Wordmark is pending for approval as on the date of this Red Herring Prospectus.

Our Company has filed its reply to the aforesaid objection. For further details, see “Government and Other Approvals” on page 230 of this Red Herring Prospectus. However, there can be no assurance that said application will succeed or we will be successful in removal of the said objection. If our Company is unable to obtain registration or if the trademark or corporate logo that we use are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark. We may still continue to use the tradename and the corporate logo but remain vulnerable to litigations, infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our corporate logo which may adversely affect our reputation and business and could require us to incur additional costs. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may also lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. Further, if we do not maintain our

brand name and identity, which is a principal factor that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks.

Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad. Further, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty that we are not infringing any existing third-party intellectual property rights and we may also be susceptible to claims from third parties asserting infringement and other related claims in India and abroad. For further details pertaining to our intellectual property, see “Our Business” on page 119 of this Red Herring Prospectus.

**8. *Our Industry is labour intensive and our business operations may be adversely affected by strikes, work stoppages or increased wage demands by our employees.***

Our industry being labour intensive is dependent on labour force for carrying out its operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Though we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management’s attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain, flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management’s attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**9. *Our business is subject to seasonality (as we see higher demand of our products from our customers during the festive seasons), which may contribute to fluctuations in our periodical results of operations and financial condition.***

Our business is subject to seasonality as we see higher demand of our products from our customers during the festive seasons which generally starts from Dusshree/Diwali/ Christmas / New Year onwards and higher demand from SME clients in month of February and March. Accordingly, our results of operations and financial condition in one quarter/period may not accurately reflect the trends for the entire financial year and may not be comparable with our results of operations and financial condition for other quarters/periods. Additionally, any significant event such as unforeseen economic slowdown, political instabilities or epidemics during these peak seasons may adversely affect our business and results of operations.”

**10. *Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.***

Our business requires a significant amount of working capital. We need to fund cost of procurement of used IT inventory in advance, the inventory is then passed through the refurbishment process including internal test and controls before it is ready for sales and dispatch. As per restated financial statement, our average working capital requirement was ₹ 883.97 Lakhs, ₹ 223.51 Lakhs and ₹ 48.63 Lakhs during the Fiscal 2023, 2022 and 2021 respectively. In view of the above, we propose to utilise a portion of the Net Proceeds of this Offer amounting to ₹ 1,545.44 Lakhs towards funding our working capital requirements for the Financial Years 2024. While we believe that utilization of Net Proceeds towards funding of working capital would enable effective utilization of funds for further investment in business growth and expansion, such funding will not result in the creation of any tangible assets for our Company.

Given our growth and expansion strategies could result in an increase in the working capital requirements. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

**11. *We may not be able to scale our business quickly enough to meet our customers' growing needs and if we are not able to grow efficiently, our operating results could be harmed.***

Since our incorporation, we have experienced significant growth in our operations, which has placed a strain on our management, administrative, operational and financial infrastructure. We anticipate that additional investments in our infrastructure spending will be required to scale our operations and increase productivity, to address the needs of our customers, to further develop and enhance our products.

Our success will depend in part upon the ability of our senior management to manage our projected growth effectively. To do so, we must continue to increase the productivity of our existing employees and to hire, train and manage new employees as needed. To manage the expected growth of our operations and personnel, we will need to continue to improve our operational, financial and management controls and our reporting systems and procedures. The additional investments we are making will increase our cost base, which will make it more difficult for us to offset any future revenue shortfalls by reducing expenses in the short term. While we have not experienced any shortcomings in the past in successfully scaling our operations and increasing productivity, however if we fail to achieve the same in the future, we will be unable to execute our business plan, which could materially adversely affect our business prospects and results of operations.

**12. *Our expansion into new product categories and an increase in the number of products offered by us may expose us to new challenges and more risks.***

In order to achieve our goals, we are constantly evaluating the possibilities of expanding our business through newer models of existing products or introducing newer product categories aligned with our current expertise. Although we believe that there are synergies between our current business and our expansion plans, we may not have the depth of expertise in these new product categories. Such initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. Our product expansion initiatives may require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. If we cannot successfully manage our product mix, address new challenges or compete effectively, we may not be able to recover costs of our investments and eventually achieve profitability, and our future results of operations and growth prospects may be materially and adversely affected.

**13. *If our products fail to perform properly due to defects, or similar problems, and if we fail to develop enhancements to resolve any defect or other problems, we could lose customers, become subject to negative publicity which could affect our business and operations.***

All our products are subject to rigorous testing and quality checks before these are dispatched to customers. Our returns rate was 14.91%, 18.06% and 11.99% during the Fiscal 2023, 2022 and 2021 respectively. While our internal quality testing process are set up to minimise / reduce defects and other issues, we may not be able to identify and remediate any/all product related issues before these are sold to customers.

Any defects or other performance issues in our products could result in, among other things:

- lost revenue or delayed market acceptance in relation to our products;
- early termination of customer agreements or loss of customers;
- credits or refunds to customers;
- product liability lawsuits and other claims against us;
- diversion of development resources;
- increased expenses associated with remedying any defect, including increased technical support costs;
- injury to our brand and reputation; and
- increased maintenance and warranty costs.

We list our products on various e-commerce websites and our customers are increasingly using such platforms to provide feedback and information about products, in a manner which leads to such feedback being disseminated quickly and broadly. Our brands could be damaged by any negative publicity on social media platforms or by claims or perceptions about the quality or safety of the products sold, regardless of whether such claims or perceptions are true. Any negative publicity regarding our company or the products may affect our reputation and image which leads to the adverse effect on our business and our goodwill.

The combination of our insurance coverage, cash flows and reserves may not be adequate to satisfy product liabilities we may incur in the future. While there has been no significant performance or warranty claims against our Company for failure of performance or defect of our product, any future meritless claims could subject us to adverse publicity, hinder us from securing insurance coverage in the future, require us to incur significant legal fees, decrease demand for our products, divert management's attention, and force us to limit or forgo further development and commercialisation of these products, thereby impacting our business, financial condition, and results of operations.

**14. *Our company generates e-waste during the process of refurbishment of used IT products. Major for which our company has not been able to have sustainable, efficient and effective arrangement for disposal of e-waste.***

E-waste can be toxic, is not biodegradable and accumulates in the environment, in the soil, air, water and among living things. Electronic waste contain substantial quantities of toxic elements like lithium, mercury, arsenic, barium, cadmium, cobalt, etc. These chemicals cause detrimental impacts on the environment and human health calling for urgent responsible e-waste management. India has very few recognised and government-approved recycling centres to dismantle and repurpose electronic waste efficiently and purposefully. The majority of the e-waste collected in India is managed by unorganized sector. Our company works with a government registered e-waste company for disposal of its e-waste. However, we cannot assure you that our vendor would necessarily comply with all e-waste handling rules and government guidelines which indirectly could make our company susceptible and liable for adherence to any such environmental regulations and further could lead to additional cost and an impact on our business, overall profitability and financial performance

**15. *Our inability to receive or renew the necessary licenses, approvals and registrations in a timely manner or at all may lead to interruption of our Company's operations.***

Our business is subject to government regulations and we require certain approvals, licenses, registrations and permissions for operating our business. In addition, we may not be in compliance with certain conditions prescribed by such approvals or licences. Our failure to obtain such licences and approvals and comply with the applicable laws and regulations could lead to imposition of sanctions by the relevant authorities, including penalties. We believe that our units have the required permits and agreements, and that they also meet the required reporting and control requirements. For further details, see “Government and Other Approvals” on page 230.

Further, in future we will be required to apply for the renewal of approvals and permits for our business operations to continue. If we are unable to make applications and renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner or at all, we may be required to shut down or relocate our offices or warehouses and face other consequences due to which our business operations may be adversely affected. Changes in legislation and current regulations entailing stricter requirements and changes in conditions in terms of health, safety and environment or progress towards a stricter official application of legislation and regulations may require additional investment and lead to higher costs and other undertakings which may impact our business and operations.

**16. *Industry information included in this Red Herring Prospectus has been derived from third party industry reports.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective 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 for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

**17. *The market for our refurbished products is relatively new and evolving. If the market does not develop further, develops more slowly, or in a way that we do not expect, our business will be adversely affected***

The market size of new PC shipment currently stands at 12.4 MM units for fiscal year 2023 (as per report in MINT dated April 16 2023) vis- a - vis the refurbished IT equipment market which is at 2.9 MM units (source “Future Market Report”) and therefore aggregates to approx. 20% of the overall market size. The market is currently growing at a CAGR of 6.3% (source “Future Market Report”) and is largely serviced by un-organised sector. As highlighted in the section titled “Our Industry” on Page 106 the key factors driving demand for refurbished products include product pricing, quality, remote work, online learning and penetration of e-commerce sales channels and we expect that these factors will continue to influence the demand and growth for refurbished IT equipment. However given that the supply side is dominated by un-organised players, the segment runs the risk of negative publicity and loss of consumer confidence if product quality, durability and other performance factors are not maintained improved which could have the impact on overall sales of such refurbished IT products, reduce the overall market size and impact our business and financials.

**18. We are dependent on our Promoters and Directors for the execution of our business strategy. We are also dependent on a number of Key Managerial Personnel and our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.**

We are highly dependent on the continued contributions and customer relationships of our Promoters and Directors. Our promoters Mr. Vishesh Handa and Mr. Mukunda Raghavendra are responsible for the execution of our business strategy and have been actively involved in the day-to-day operations and management since the incorporation of the Company. If our Promoter and Directors are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our performance also depends largely on the efforts, expertise and abilities of our Key Managerial Personnel, senior management, and our operational personnel who possess significant experience in the industry in which we operate. Our Key Management Personnel, Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. We believe that the inputs and experience of our KMP and senior management, in particular, and other key personnel are valuable for the development of our business, operations and the strategic directions taken by our Company. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. Moreover, we may be required to substantially increase the number of our qualified personnel in connection with any future growth plans, and we may face difficulty in doing so due to the intense competition in the technology industry for such personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past in order to remain competitive in retaining our workforce.

**19. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, business operations and financial condition**

As on date of this Red Herring Prospectus, we have not made any alternate arrangements for meeting our capital requirements for some of the objects of the Issue. We meet our capital requirements through, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the section titled “Objects of the Issue” beginning on page 83 of this Red Herring Prospectus.

**20. Our Company proposes to utilize part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain borrowings availed by our Company from various banks and financial institutions and accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.**

Our Company intends to utilise a part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain borrowings availed by our Company from various banks and financial institutions. The loans were availed from various banks and financial institutions aggregating to ₹ 1,150 Lakhs to meet working capital requirement.

The details of the loans identified to be repaid or prepaid using the Net Proceeds and the purpose for which the said loans have been utilized have been disclosed in the section titled “Objects of the Issue - Repayment or pre-payment, in full or in part, of all or certain borrowings availed by our Company” on page 83 of this Red Herring Prospectus. While we believe that utilization of Net Proceeds for repayment of secured loans would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the pre-payment of loans will not result in the creation of any tangible assets for our Company.

**21. We do not own our registered office and the premises where we conduct our operations and the said premises have been taken on leave and licence or lease. Any termination of these agreements may require us to vacate such premises and adversely affect our business operations:**

We currently operate from our registered office, located at 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School Bangalore, 560078, Karnataka, India and the same is not owned by us. We have taken the said premises on leave and licence basis from Mr. Jai Singh Jain and the same is valid until August 31, 2024.



We are expanding our refurbishment facility at a premises located at Land Survey No.38/1B, 39/1, 39/2 and 39/3 of Arekere Village, Begur Hobli, Bangalore South Taluk, Bangalore- 560 076 and the said premises is not owned by us. We have obtained this property on lease basis from Licensor 1. Mr. Vishal Bansilal Asrani, 2. Mrs. Sharmila S Parwani, 3. Mrs. Sapna P Punjabi, 4. Mrs. Sheetal B Asrani, and 5. M/s. VB Asrani Energy Ventures, Partnership firm through Lease Deed dated March 31, 2023 for a period of 5 years i.e. from March 31, 2023 to March 31, 2028. In addition, our principal place of business and additional place of business (as per GST Certificate) are located in Karnataka, Telangana, Maharashtra and Haryana. We have obtained these properties based on no objection certificate from the owners and/or and leave and licence arrangements. Periodic renewals of such lease may increase our costs, since it is subject to rent escalation. Any termination of the lease and/or rental deed in connection with this property or our failure to renew the same, and upon favourable conditions, in a timely manner or at all could adversely affect our operations.

If any such lease agreement under which we occupy the premises is not renewed on terms and conditions that are favourable to us, or at all, we may suffer a disruption in our operation which could have a material adverse effect on our business, financial condition and results of operations. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our office to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one. For more details on properties taken on lease by our Company, please refer section titled “Our Business” beginning on page 119 of the Red Herring Prospectus

**22. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013.**

Our company has missed on compliance with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor. There are few discrepancies noticed in some of our corporate records relating to adhering with the provisions of SS-1 and SS-2 of the Companies Act, 2013, however upon identifying such non-compliance, the company has rectified and started complying with the provisions of SS-1 and SS-2 of companies act 2013. Our Company has inadvertently missed out on the following compliance in the past:

| Form   | Discrepancy                                                     | Rectification                                                                |
|--------|-----------------------------------------------------------------|------------------------------------------------------------------------------|
| MGT-14 | Inadequate documents attached to the Form                       | The non-compliance being not material, no rectification steps were required. |
| PAS-3  | Inadequate documents attached to the Form                       | The non-compliance being not material, no rectification steps were required. |
| AOC-4  | Authorized Capital written as ₹ 1,00,000 instead of ₹ 35,00,000 | Rectified in subsequent filings                                              |

Any penalty or action taken by any regulatory authority in future for non- compliance with provisions of corporate and other law could impact financial position of the company to that extent.

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

In the past, company has made clerical mistakes in form filed with RoC. Further we have frequently delayed in filing of GST Returns and depositing the EPF with the concerned offices of the departments on several instances on account of technical, operational, and personnel challenges. We have accordingly been subjected to penalty and interest for delayed deposit of tax the details of which are as follows:

**GST**

| Financial Year | Locations   | Number of Times of Delay | Range of Delay (in Days) | Interest, Penalty & Late fees |
|----------------|-------------|--------------------------|--------------------------|-------------------------------|
| 2023-2024      | Karnataka   | 3                        | 19 to 52                 | Not yet charged               |
|                | Haryana     | 2                        | 1                        | 71                            |
|                | Telangna    | 2                        | 1                        | 70                            |
|                | Maharashtra | 2                        | 1                        | 40                            |
| 2022- 2023     | Karnataka   | 3                        | 6 to 25                  | 9610                          |
|                | Haryana     | 4                        | 1 to 29                  | 3344                          |
|                | Telangna    | 4                        | 1 to 29                  | 4240                          |
|                | Maharashtra | 4                        | 1 to 29                  | 3843                          |
| 2021-2022      | Karnataka   | 4                        | 1 to 33                  | 2413                          |
|                | Haryana     | 3                        | 3 to 40                  | 112                           |

|           |             |   |          |      |
|-----------|-------------|---|----------|------|
| 2020-2021 | Telangna    | 3 | 3 to 40  | 101  |
|           | Maharashtra | 3 | 3 to 33  | 171  |
|           | Karnataka   | 3 | 21 to 47 | 3577 |

#### EPF

| Financial Year | Number of Times of Delay | Range of Delay (in Days) | Interest | Penalty |
|----------------|--------------------------|--------------------------|----------|---------|
| 2022 – 2023    | 7                        | 2 to 94                  | 6532     | 4860    |

The company has successfully settled the interest and penalty dues, fulfilling all necessary requirements under the prevailing GST Acts and EPF Acts up to July 2023. While no- show cause notice has been issued against our Company till date, in the event of any cognizance being taken by the concerned authorities in respect of above errors and delays in filings, actions may be taken against our Company and its directors, which could impact our business and financial performance.

**24. Our Independent Directors were director of companies which has been struck off from the register of companies maintained by the RoC.**

Our Independent Directors were director of following companies which have been compulsorily struck off from the register of companies maintained by the relevant RoC pursuant to Section 248(1) of the Companies Act, 2013.

| Sr. No. | Name of Independent Director & DIN            | Name of the Strike-off Companies                                                                                                       |
|---------|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Mr. Purav Dineshchandra Shah<br>DIN: 05126728 | <ul style="list-style-type: none"> <li>Infinio Techsol (India) Private Limited</li> <li>Infinion Consulting Private Limited</li> </ul> |
| 2.      | Mr. Gaurav Jindal<br>DIN: 06892227            | <ul style="list-style-type: none"> <li>Trring Media Private Limited</li> </ul>                                                         |

In the event of any action being taken against these companies or the directors of these Companies our Independent Directors may be held liable under the relevant provisions of the applicable law. Although, no notice has been received by our Independent Directors for the above, but there cannot be any assurance that the regulatory authority will not take any penal action against those companies or our Independent Directors. In case any such action is taken it may have an adverse effect on our Independent Directors and may affect the reputation of our Company.

**25. If we are unable to continue to innovate or if we fail to adapt to changes in our industry, our business, financial condition, cash flows and results of operations would be adversely affected.**

Our future success will depend on our ability to adapt and innovate. To attract new customers we will need to enhance and improve our existing products and introduce new products, features and functionality based on continuing changes in technology, industry standards and client preferences. Enhancements and new products that we develop may not be introduced in a timely or cost-effective manner, may contain errors or defects and may have interoperability difficulties with our platform or other products. If we are unable to respond in a timely, user-friendly and cost-effective manner to these rapid technological developments, or successfully adopt such advancements and deploy it profitably, our products may become less marketable and less competitive or obsolete, and our business, results of operations and financial condition may be adversely affected.

**26. Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be impaired.**

Certain leave and license agreement(s) /rent agreement(s) entered into by us in the past may not have been adequately stamped and registered, however, the term of the said agreement(s) have expired and are no longer valid. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. Any potential dispute vis-à-vis our noncompliance of local laws relating to stamp duty and registration may adversely impact our business, results of operations and financial condition. We shall initiate the process of payment of stamp duty and/or adjudication, as may be required in respect of any such agreement(s).

**27. Any deficiency in our products could make our Company liable for customer claims, which in turn could affect our Company's results of operations.**

Our Company is bound by the terms and conditions as placed before its customers. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by customers for deficiency in our products, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company's results of operations.

**28. Our industry is competitive and we face significant competition from both established and un-organised companies offering refurbished products, which may have a negative effect on our ability to add new customers, retain existing customers and grow our business. Our inability to compete effectively will adversely affect our business, results of operations, financial condition and cash flows.**

Our company faces competition from organised as well as un-organised players in the IT refurbishment market. We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;
- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability.

These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

**29. We may not be able to successfully manage the growth of our business if we are unable to maintain adequate internal systems, processes and controls**

We have experienced considerable growth over the past three years and we have expanded our operations and product portfolio. Our total revenue grew at a CAGR of 66.67% between Fiscals 2021 and 2023, while our restated profit after tax grew at a CAGR of 109.60% between Fiscals 2021 and 2023.

We cannot assure you that our growth strategies will continue to be successful or that we will be able to continue to expand further, or at the same rate.

Our inability to execute our growth strategies in a timely manner or within budget estimates or our inability to meet the expectations of our customers and other stakeholders, could have an adverse effect on our business, results of operations and financial condition. Our future prospects will depend on our ability to grow our business and operations. Further, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. While there have been no such instances in the past, however, if we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Failure to manage growth effectively could adversely affect our business and results of operations.

**30. Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition and results of operation**

Brand recognition is important to the success of our business. Establishing and maintaining our brand name in the industry or for people relying on products is critical to the success of our customer acquisition strategy and for the continued growth of our business. Although, we expect to allocate significant number of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing our user and client base or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

**31. About 45% of our sales come from the states of Tamil Nadu (26%) and Karnataka (19%). Due to this geographic concentration of our sales, our results of operations and growth might be impacted if there are adverse economic and demographic conditions in these states.**

About 45% of our sales come from the states of Tamil Nadu (26%) and Karnataka (19%). Though, our products are sold through the online channels including third party e-commerce websites and our own website, the delivery of products is not restricted to a particular geography in India. The states of Tamil Nadu and Karnataka account for about (45%) of our total deliveries. In the event of a natural calamity, economic slowdown, logistical challenges or any disruption in these states we may experience adverse impact on our results of operations, financial condition and cash flows than if it were further diversified across different geographical locations.

**32. Our business depends on sale of our products through third party online e-commerce platforms**

Although we have our own website viz., [www.newjaisa.com](http://www.newjaisa.com), we are reliant on e-commerce online platforms for the sale of our products. For the Fiscal 2023, 2022 and 2021 our online sales from e-commerce platforms constituted 96.44%, 95.08% and 82.05% of our revenue from operations respectively. Factors that might prevent potential consumers from

purchasing products from e-commerce platforms, including our website, include: - concerns about buying products online without a physical storefront, face-to-face interaction with sales personnel and the ability to physically handle and examine products; - concerns about delayed shipments or the inconvenience and cost of returning or exchanging items purchased online; - concerns about the security of online transactions and the privacy of personal information; and • usability, functionality and features of online platforms. Any disruption in telecommunication infrastructure in India or Failure or disruption of our Information Technology systems may impact the e-commerce websites and thus impacting our business. Our business and our results of operations, financial condition, cash flows and prospects could be adversely affected if any of the third party e-commerce platform decide to unfavourably revise the terms of business including any fee charged by them for sale of our products, inventory level, delivery conditions, returns mechanism, etc.

**33. *Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Upon completion of the Issue, our Promoter and Promoter Group will own [●] % of the Post-Issue Equity Share capital of the Company. As a result, the Promoter and Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders' approval, including the election of directors and approval of significant corporate transactions. The Promoter and Promoter Group will also have an effective veto power with respect to any shareholder action or approval requiring a majority vote. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control. For further details of Promoter' shareholding, please refer section titled "Capital Structure" beginning on Page 68 of Red Herring Prospectus.

**34. *Our Company has not insured for specific risks associated with the business. Our inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Except for standard fire and special perils for furniture and electronics and burglary & house break, the Company has not insured for any other risks related to running the business. Such risks include the following but not limited to:

- Professional Liability/ Error and Omissions;
- General Liability;
- Workers' Compensation; and
- Commercial Property

Although our Company has not experienced any such risk affecting the business and company at large, we cannot assure you that, we will not experience any such event in the future. We cannot assure you that our Company will be able to mitigate the loss or protect the business or its employees in case of any unfortunate event. Our business can be affected due to unexpected events, which could cause us to suffer various damages and losses, ultimately affecting our business and results of operations.

**35. *Our Promoters/Directors/Promoter Group have given personal guarantees and properties in relation to certain debt facilities provided to our Company by our lender. In event of default of the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoter's ability to manage the affairs of our Company and our Company's profitability and consequently this may impact our business, prospects, financial condition and results of operations***

Some of the debt facilities provided to our Company by our lenders stipulate that the facility shall be secured by a personal guarantee and properties of our Promoters/ Directors/ Promoter Group. In event of default on the debt obligations, the personal guarantees and properties may be invoked thereby adversely affecting our Promoters/ Directors/ Promoter Group ability to manage the affairs of our Company and consequently this may impact our business, prospects, financial condition and results of operations.

Further, in an event our Promoters/ Directors/ Promoter Group withdraws or terminates his/their guarantee/s or security, the lender for such facilities may ask for alternate guarantee/s or securities or for repayment of amounts outstanding under such facilities or even terminate such facilities. We may not be successful in procuring guarantee/s or collateral securities satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the section titled "Financial Information" beginning on page 173 of Red Herring Prospectus.

**36. *The unsecured loan availed by our Company from Directors and related party may be recalled at any given point of time***

Our Company has been availing unsecured loans from Directors and related party from time to time. The total outstanding payable to them as on March 31, 2023 amounts to ₹ 19.56 Lakh as per Restated Financials Statement. Although there are no terms and condition prescribed for repayment of unsecured loan from our Director and Promoter and related parties 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 section titled “Financial Information” on page 173 of this Red Herring Prospectus.

**37. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.**

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past and there can be no assurance that our Company will declare dividends in the future. For further details, please refer to the section titled “Financial Indebtedness” and the section titled “Dividend Policy” on pages 171 and 172 respectively, of this Red Herring Prospectus.

**38. The agreements executed by our Company with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans**

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying loans, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to section titled — “Financial Indebtedness” on 223 of this Red Herring Prospectus.

**39. There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceeding may have a 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. The contingent liability in respect of the tax litigation against the our Company have been disclosed in the section titled “Restated Financial Statements” – “Details of Contingent Liabilities & Commitments as Restated” on 173 of this Red Herring Prospectus.

A summary of the pending civil and other proceedings involving our Company is provided below:

| <b>Nature of Proceedings</b>               | <b>Number of cases</b> | <b>Amount involved<br/>(₹. in lakhs)</b> |
|--------------------------------------------|------------------------|------------------------------------------|
| <b>Against the Company</b>                 |                        |                                          |
| Direct Tax (Income Tax)                    | 1                      | 13.35                                    |
| Indirect Tax                               | Nil                    | Nil                                      |
| <b>Filed by the Company</b>                |                        |                                          |
| Direct Tax (Income Tax)                    | Nil                    | Nil                                      |
| Indirect Tax                               | Nil                    | Nil                                      |
| <b>Total</b>                               | <b>1</b>               | <b>13.35</b>                             |
| <b>Against the Promoters and Directors</b> |                        |                                          |
| Mr. Vishesh Handa                          |                        |                                          |
| Direct Tax (Income Tax)                    | 1                      | 19.79                                    |
| Indirect Tax                               | Nil                    | Nil                                      |
| <b>Total</b>                               | <b>1</b>               | <b>19.79</b>                             |

**40. We have issued equity shares (excluding Bonus issue) during the last 12 months at a price which may be below the Offer Price**

We have issued certain Equity shares (excluding Bonus issue) in the last 12 months at a price which may be lower than the Offer Price. Details of such issuances are given in the table below:

| Date of Allotment | Number of Equity Shares | Face Value (in ₹) | Offer Price (in ₹) | Name of Investor                    |
|-------------------|-------------------------|-------------------|--------------------|-------------------------------------|
| June 5, 2023      | 44,112                  | 5*                | 1133.50*           | Negen Tech Opportunities Angel Fund |

\*The face value of the Equity Shares of the Company was reduced from Rs. 10/- per share to Rs. 5/- per share vide Shareholders resolution dated July 06, 2023. Further, post the allotment of shares to the above investor, the Company has issued bonus shares in the ratio of thirty Equity Shares of Rs. 5/- each for every one Equity Share held. Accordingly, the effective issue price of Equity Shares allotted to Negen Tech Opportunities Angel Fund will be Rs. 36.56/-.

**41. Our Company has a negative cash flow in its operating activities in previous three financial years details of which are given below.**

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. Our Company had negative cash flows from our operating activities as per the Restated Financial Statements and the same are summarized as under:

| Particulars                                              | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|----------------------------------------------------------|----------------|----------------|----------------|
| Net cash generated from / (used in) operating activities | -409.89        | -143.31        | -3.86          |
| Net cash (used in) investing activities                  | -19.2          | -6.20          | -21.53         |
| Net cash (used in) / generated from financing activities | 561.89         | 19.18          | 163.64         |
| Net increase/(decrease) in cash and cash equivalents     | 132.8          | -130.34        | 138.25         |

For further details on our cash flows, see the section titled “*Management’s Discussion and Analysis of Financial Condition and Result of Operation*” on beginning on page 214 of this Red Herring Prospectus. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

**42. Information relating to our capacities and the historical capacity utilization of our facilities included in this Red Herring Prospectus is based on various assumptions and estimates and capacity utilization may vary.**

Information relating to our capacities and the historical capacity utilization of our facilities included in this Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of supplies and assumptions relating to potential utilization levels and operational efficiencies. Actual utilization rates may differ significantly from the estimated capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our capacity or historical estimated capacity utilization information for our existing facilities included in this Red Herring Prospectus.

We cannot assure that we shall be able to utilize our facility to their full capacity or up to an optimum capacity, and non-utilization of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition.

**43. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency**

Since, the Issue size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The funds raised from this Issue, will be deployed as defined in the Objects. For further details, please refer to the section titled “*Objects of the Issue*” beginning on page 83 of this Red Herring Prospectus. The fund requirement and deployment mentioned in the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders shall provide 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.

**44. *We may need to seek additional financing in the future to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows***

Our strategy to grow our business may require us to raise additional funds for our working capital or long-term business plans. While we have historically funded our capital expenditure primarily through internal accruals, bank credit facilities and cash flow from operations, we cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, venture capital funds, joint-venture partners and other strategic investors. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects.

**45. *We have in past entered into related party transactions and we may continue to do so in the future.***

As of March 31, 2023 we have entered into related party transactions with our Promoters, individuals and entities forming a part of our promoter group and our Subsidiaries relating to our operations. In addition, we have in the past also entered into transactions with other related parties. Our Company has entered into related party transactions for the nine month period ended December 31, 2021 and the Fiscal ended March 31, 2021. For further details, please refer to the section titled “Financial Information – ‘Financial Information’ – Annexure VI - : Notes to the Related Financial Information” beginning on page 173. While we believe that all our related party transactions have been conducted on an arm’s length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future. The related party transactions entered by the Company are in compliance with the applicable provisions of Companies Act, 2013.

**46. *In addition to the existing indebtedness our Company, may incur further indebtedness during the course of business.***

As on March 31, 2023 the total fund based indebtedness of our Company is ₹ 743.70 Lakhs. In addition to the indebtedness for the existing operations, our Company may incur further indebtedness during the course of the business. We cannot assure you that our Company will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

We have not defaulted in our loans. However, any failure to service the indebtedness of our Company or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the section titled — “Financial Indebtedness” on page 223 of this Red Herring Prospectus.

**47. *Increases in operational costs could adversely affect our results of operations.***

Factors such as inflation, increased employee benefit costs (by regulation or otherwise), increased rental costs, and increased energy costs may increase our operating costs. Further, to maintain our operational costs and margins, it is imperative to optimize the expansion of business operations and product portfolio. Many of the factors may also affect our vendors and channel partners, which are beyond their control. Although, there have been no such instances in the past, any future increase in the operational costs may cause such third parties to pass costs on to us and our end users by increasing prices, which would likely an adverse effect on our business, financial condition and results of operations.

**48. *Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

**49. *Our Company does not have any listed peer companies for comparison of performance and therefore, investors must rely on their own examinations of accounting ratios of our Company for the purposes of investment in this Issue.***

Business models of some of the listed companies which undertake certain business, which may be considered similar to our business are not comparable to our business model based on the nature and extent of activities in diverse sectors undertaken by listed companies. Therefore, there are no listed companies that may be considered as the peer group of our Company. Therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in this Issue.

## **ISSUE SPECIFIC RISKS**

**1. *The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchange and securities markets elsewhere in the world.

**2. *There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.***

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of our Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**3. *There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

**4. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including: a. Volatility in the Indian and global capital market; b. Company's results of operations and financial performance; c. Performance of Company's competitors; d. Adverse media reports on Company or pertaining refurbished IT products; e. Changes in our estimates of performance or recommendations by financial analysts; and f. Significant developments in India's economic and fiscal policies. Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**5. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be



credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

**6. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.***

The Issue price of our equity Shares has been determined by book build method. This price is based on numerous factors 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 fluctuation 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. For further details you may refer section titled “*Basis for Issue Price*” beginning on the page 95 of Red Herring Prospectus. Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition.
- Domestic and International Economy.

**7. *Sale of Equity Shares by our Promoter or other significant shareholder(s) in future may adversely affect the Trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

**8. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**9. *Past experience of our Book Runner Lead Manager in Handling Initial Public offerings (IPOs).***

Our Book Running Lead Manager has limited experience in handling initial public offerings (IPOs). While the merchant banker has successfully managed a few IPOs previously, it is important to note that their track record is relatively limited compared to more established and experienced merchant bankers in the industry.

The lack of extensive experience in handling IPOs may pose certain risks and challenges during the process. The success of an IPO depends on various factors, including effective marketing, accurate valuation, thorough due diligence, and regulatory compliance. Inexperienced handling of these crucial aspects could potentially result in delays, inefficiencies, or suboptimal outcomes for the IPO.

Furthermore, due to limited experience, the BRLM may have a narrower network of potential investors and may face challenges in attracting a diverse range of institutional and retail investors. This could impact the demand for our shares and potentially affect the overall success of the IPO.

For further details you may refer section titled “*Other Regulatory And Statutory Disclosures*” beginning on the page 234 of Red Herring Prospectus.

## **EXTERNAL RISKS**

**1. *The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance.***

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit time spent outside of their homes. Temporary closures of businesses were ordered, and numerous other businesses were temporarily closed on a voluntary basis as well. For most of Fiscal 2021, the COVID-19 pandemic caused widespread and prolonged lockdowns throughout India. The nationwide lockdown in India during March and April 2020 resulted in the full closure of economic activity (except for essential services) for four weeks in Fiscal 2021,

Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this lockdown although we have continued with our business, the execution of our business operations was delayed by few weeks. We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. If the COVID-19 pandemic persists, whether through the outbreak of new virus strains or otherwise, further lockdowns and travel disruptions may occur, factory closures may be required, and we may experience lower economic activity levels. There are numerous uncertainties associated with the COVID-19 outbreak and associated disruptions to economic activity, including impact on our resources, customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us.

**2. *Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in the countries in which we operate, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

The GoI has passed new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 (“**Social Security Code**”), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations, were to take effect from April 1, 2021 (collectively, the “**Labour Codes**”). The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees’ provident fund.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. For instance, the Supreme Court of India has in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

**3. *Malpractices by some players in the industry affect overall performance of emerging Companies.***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

**4. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceeds ₹ 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of ₹ 1,00,000/ p.a. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

**5. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in Red Herring Prospectus.***

As stated in the reports of the Auditor included in Red Herring Prospectus under section titled "Restated Financial Statements" beginning on page 173 the financial statements included in Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in Red Herring Prospectus. Accordingly, the degree to which the financial information included in Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in Red Herring Prospectus should accordingly be limited.

**6. *The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Pandemic, 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 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.

**7. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**8. *Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

**9. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in the Prospectus.***

While facts and other statistics in Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the section titled "Our Industry" beginning on page 106 of Red Herring Prospectus. Due to possibly flawed 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, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**10. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency a magnitude, which may negatively affect our stock prices.

**11. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**12. *Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**13. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**14. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**15. *Any change in laws or regulations, including taxation laws, or their interpretation may significantly affect our financial statements.***

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the tax rate (on gross basis) for Indian companies from 30% to 22% (exclusive of applicable health and education cess and surcharge). Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

The Finance Act, 2020 ("Finance Act"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, dividend distribution tax ("DDT") will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely be subject to tax deduction at source. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017 and all subsequent changes and amendments thereto.

Further, the Government of India has announced the Union Budget for Fiscal 2024 and the Finance Act, 2023, which was notified on the e-Gazette on March 31, 2023. The Finance Act, 2023 introduced various amendments to taxation laws in India. We cannot predict whether any amendments made pursuant to the Finance Act, 2023 would have any adverse effect on our business, financial condition, future cash flows and results of operations. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, the likely nature and impact of the specific terms of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business.

## SECTION IV: INTRODUCTION

### THE ISSUE

The following is the summary of the Issue:

| <b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>                   |                                                                                                 |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <b>Equity Shares Offered through Public Issue</b> <sup>(1) (2)</sup>           | Upto 84,96,000 Equity Shares aggregating to ₹ [●] lakhs.                                        |
| <b>Out of which:</b>                                                           |                                                                                                 |
| Issue Reserved for the Market Makers                                           | 4,26,000 Equity Shares aggregating to ₹ [●] Lakhs.                                              |
| Net Issue to the Public                                                        | Upto 80,70,000 Equity Shares aggregating to ₹ [●] lakhs.                                        |
| <b>Out of which*</b>                                                           |                                                                                                 |
| A. QIB Portion <sup>(3)(4)</sup>                                               | Not more than 40,32,000 Equity Shares aggregating up to ₹ [●] lakhs.                            |
| <b>Of which</b>                                                                |                                                                                                 |
| i) Anchor Investor Portion                                                     | Upto 24,18,000 Equity Shares aggregating up to ₹ [●] lakhs.                                     |
| ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)     | Upto 16,14,000 Equity Shares aggregating up to ₹ [●] lakhs.                                     |
| <b>of which</b>                                                                |                                                                                                 |
| (a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion). | Upto 81,000 Equity Shares aggregating up to ₹ [●] lakhs.                                        |
| (b) Balance of QIB Portion for all QIBs including Mutual Funds                 | Upto 15,33,000 Equity Shares aggregating up to ₹ [●] lakhs.                                     |
| B. Non-Institutional Portion                                                   | Not less than 12,12,000 Equity Shares aggregating up to ₹ [●] lakhs.                            |
| C. Retail Portion                                                              | Not less than 28,26,000 Equity Shares aggregating up to ₹ [●] lakhs.                            |
| <b>Pre and Post – Issue Equity Shares</b>                                      |                                                                                                 |
| Equity Shares outstanding prior to the Issue.                                  | 2,36,87,472 Equity Shares of face value of ₹ 5 each.                                            |
| Equity Shares outstanding after the Issue.                                     | 3,21,83,472 Equity Shares of face value ₹ 5 each.                                               |
| Use of Net Proceeds by our Company.                                            | Please see the section titled “Objects of the Issue” on page 83 of this Red Herring Prospectus. |

*Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Issue Price. The face value of Equity Shares is ₹ 5 each. The Floor Price is ₹ 44 per Equity Share which is 8.8 times of the Face Value and the Cap Price is ₹ 47 per Equity Share which is 9.4 times of the Face Value.*

#### Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 07, 2023 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting held on July 10, 2023.
- 3) *The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.*
- 4) *Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*

*Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.*

*For further details, please refer section titled “Issue Procedure” beginning on page 258 of this Red Herring Prospectus.*

## SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from Restated Financial Statements for the Financial Year ended on March 31, 2023, 2022, and 2021. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act, 2013 and the SEBI ICDR Regulations.

The summary financial information presented below should be read in conjunction with the sections and notes mentioned therein sections titled '*Other Financial Information*' and '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' beginning on page 213 and 214, respectively of this Red Herring Prospectus.



# RESTATED SUMMARY STATEMENT OF ASSET AND LIABILITIES

(₹ In Lakhs)

| Particulars                                                                                | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|
| <b>EQUITY AND LIABILITIES:</b>                                                             |                      |                      |                      |
| <b>Shareholders' funds:</b>                                                                |                      |                      |                      |
| Share Capital                                                                              | 36.00                | 36.00                | 1.00                 |
| Reserves and Surplus                                                                       | 894.12               | 218.55               | 73.36                |
|                                                                                            | <b>930.12</b>        | <b>254.55</b>        | <b>74.36</b>         |
| <b>Non-Current liabilities:</b>                                                            |                      |                      |                      |
| Long Term Provisions                                                                       | 4.83                 | 3.08                 | 0.67                 |
| Deferred Tax Liabilities                                                                   | 0.27                 | (0.02)               | 0.13                 |
|                                                                                            | <b>5.10</b>          | <b>3.06</b>          | <b>0.80</b>          |
| <b>Current liabilities:</b>                                                                |                      |                      |                      |
| Short-Term Borrowings                                                                      | 743.70               | 181.82               | 162.64               |
| Trade Payables                                                                             |                      | -                    |                      |
| (a) Total Outstanding dues of micro enterprises and small enterprises                      | -                    | -                    | -                    |
| (b) Total Outstanding dues of creditors other than micro enterprises and small enterprises | 321.72               | -                    | 17.55                |
| Other Current Liabilities                                                                  | 119.38               | 108.21               | 65.62                |
| Short-Term Provisions                                                                      | 88.68                | 11.51                | 17.02                |
|                                                                                            | <b>1,273.48</b>      | <b>301.54</b>        | <b>262.83</b>        |
| <b>TOTAL</b>                                                                               | <b>2,208.70</b>      | <b>559.15</b>        | <b>337.99</b>        |
| <b>ASSETS:</b>                                                                             |                      |                      |                      |
| <b>Non-current assets:</b>                                                                 |                      |                      |                      |
| Property, Plant and Equipments                                                             | 36.08                | 25.10                | 21.03                |
| Capital Working In Progress- Intangible Assets                                             | 4.50                 | -                    | -                    |
| Other Non-Current Assets                                                                   | 10.66                | 9.00                 | 5.50                 |
|                                                                                            | <b>51.24</b>         | <b>34.10</b>         | <b>26.53</b>         |
| <b>Current assets:</b>                                                                     |                      |                      |                      |
| Inventories                                                                                | 1,282.75             | 346.48               | 70.09                |
| Trade Receivables                                                                          | 572.17               | 147.56               | 80.52                |
| Cash and Bank Balances                                                                     | 140.71               | 7.91                 | 138.25               |
| Short-Term Loans and Advances                                                              | 161.82               | 23.10                | 22.60                |
|                                                                                            | <b>2,157.45</b>      | <b>525.05</b>        | <b>311.46</b>        |
| <b>TOTAL</b>                                                                               | <b>2,208.70</b>      | <b>559.15</b>        | <b>337.99</b>        |

# RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(₹ In Lakhs)

| Particulars                                              | Financial Year 2023 | Financial Year 2022 | Financial Year 2021 |
|----------------------------------------------------------|---------------------|---------------------|---------------------|
| <b>Revenue:</b>                                          |                     |                     |                     |
| Revenue from operations                                  | 4,452.98            | 2,791.90            | 960.67              |
| Other Income                                             | 0.25                | 0.60                | 0.04                |
| <b>Total</b>                                             | <b>4,453.23</b>     | <b>2,792.50</b>     | <b>960.71</b>       |
| <b>Expenses:</b>                                         |                     |                     |                     |
| Purchases of traded goods                                | 2,520.18            | 1,907.14            | 642.10              |
| Employee benefits expenses                               | 468.08              | 223.13              | 76.25               |
| Finance costs                                            | 54.32               | 54.31               | 11.31               |
| Depreciation and amortisation expense                    | 3.72                | 2.49                | 0.50                |
| Other expenses                                           | 588.03              | 360.46              | 132.42              |
| <b>Total</b>                                             | <b>3,634.33</b>     | <b>2,547.53</b>     | <b>862.58</b>       |
| <b>Profit before tax</b>                                 | <b>818.90</b>       | <b>244.97</b>       | <b>98.13</b>        |
| <b>Tax expense:</b>                                      |                     |                     |                     |
| Current Tax                                              | -141.13             | -61.99              | -24.64              |
| Prior Year Tax                                           | -1.92               | -2.95               | -                   |
| Deferred tax                                             | -0.29               | 0.15                | -0.13               |
| <b>Net Profit/(Loss) for the year</b>                    | <b>675.57</b>       | <b>180.19</b>       | <b>73.36</b>        |
| <b>Earning Per Share:</b>                                |                     |                     |                     |
| - Basic Earning per share                                | 3.03                | 0.81                | 0.33                |
| Corporate Background and Significant accounting policies |                     |                     |                     |

# RESTATED SUMMARY STATEMENT OF CASH FLOWS

(₹ In Lakhs)

|          | PARTICULARS                                                | Financial Year 2023 |           | Financial Year 2022 |         | Financial Year 2021 |        |
|----------|------------------------------------------------------------|---------------------|-----------|---------------------|---------|---------------------|--------|
| <b>A</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                 |                     |           |                     |         |                     |        |
|          | Profit After Tax                                           | 675.57              |           | 180.19              |         | 73.36               |        |
|          | Adjustment For Non-Cash & Non Operating Items:             |                     |           |                     |         |                     |        |
|          | Tax Expense                                                | 143.34              |           | 64.78               |         | 24.77               |        |
|          | Interest Income                                            | -                   |           | -0.34               |         | -0.00               |        |
|          | Gratuity                                                   | 1.75                |           | 2.41                |         | 0.67                |        |
|          | Leave encashment                                           | -                   |           | -                   |         | -                   |        |
|          | Balance written off                                        |                     |           |                     |         |                     |        |
|          | Depreciation                                               | 3.72                |           | 2.49                |         | 0.50                |        |
|          | Operating Profit before Working Capital Changes            |                     | 824.37    |                     | 249.52  |                     | 99.30  |
|          | Adjustment for Working Capital:                            |                     |           |                     |         |                     |        |
|          | (Increase)/Decrease in Trade Receivables                   | -424.61             |           | -67.04              |         | -80.52              |        |
|          | (Increase)/Decrease in Short Term Loans and Advances       | -138.71             |           | -0.50               |         | -22.60              |        |
|          | (Increase)/Decrease in Inventories                         | -936.27             |           | -276.39             |         | -70.09              |        |
|          | (Increase)/Decrease in Long Term Loans and Advances        | -1.66               |           | -3.50               |         | -5.50               |        |
|          | Increase/(Decrease) in Other Current Liabilities           | 11.17               |           | 42.59               |         | 65.62               |        |
|          | Increase/(Decrease) in Short term Provisions               | 77.18               |           | -5.51               |         | 17.02               |        |
|          | Increase/(Decrease) in Trade Payables                      | 321.72              |           | -17.55              |         | 17.55               |        |
|          |                                                            |                     | -1,091.19 |                     | -327.90 |                     | -78.52 |
|          | Net Cash Generated from Operations (A)                     |                     | -266.83   |                     | -78.38  |                     | 20.78  |
|          | Less: Tax paid                                             |                     | -143.05   |                     | -64.93  |                     | -24.64 |
|          | Net Cash from Operating Activities (A)                     |                     | -409.88   |                     | -143.31 |                     | -3.86  |
| <b>B</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                 |                     |           |                     |         |                     |        |
|          | Addition to Property, Plant and Equipment                  | -14.70              |           | -6.55               |         | -21.53              |        |
|          | Property, Plant and Equipment under Work In Progress       | -4.50               |           |                     |         |                     |        |
|          | Interest Income                                            | -                   |           | 0.34                |         | 0.00                |        |
|          | Net Cash used in Investing Activities (B)                  |                     | -19.20    |                     | -6.20   |                     | -21.53 |
| <b>C</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>                |                     |           |                     |         |                     |        |
|          | Increase/(Decrease) in Share Capital                       |                     |           |                     |         | 1.00                |        |
|          | Increase/(Decrease) in Short-Term Borrowings               | 561.89              |           | 19.18               |         | 162.64              |        |
|          | Net Cash from Financing Activities (C)                     |                     | 561.89    |                     | 19.18   |                     | 163.64 |
|          | Net Increase in Cash and Cash Equivalents (D)=(A+B+C)      |                     | 132.80    |                     | -130.34 |                     | 138.25 |
|          | Cash and Cash Equivalents at the Beginning of the year (E) |                     | 7.91      |                     | 138.25  |                     | -      |
|          | Cash and Cash Equivalents at the End of the year (D)+(E)   |                     | 140.71    |                     | 7.91    |                     | 138.25 |
|          | Components of Cash and Cash Equivalents:                   |                     |           |                     |         |                     |        |
|          | Cash in Hand                                               |                     | -         |                     | 7.74    |                     | 0.45   |
|          | Bank Balance                                               |                     | 140.71    |                     | 0.17    |                     | 137.80 |
|          | <b>TOTAL</b>                                               |                     | 140.71    |                     | 7.91    |                     | 138.25 |

## SECTION V: GENERAL INFORMATION

Our Company was originally incorporated as a private limited company under the Companies Act, 2013 in the name and style of “Newjaisa Technologies Private Limited” bearing CIN U32106KA2020PTC134935 vide Certificate of Incorporation dated June 16, 2020 issued by the RoC, Central Registration Centre.

Subsequently, our Company was converted into public limited company pursuant to the approval of our shareholders at an EGM held on May 04, 2023. Consequently, the name of our Company was changed to “Newjaisa Technologies Limited” and a fresh certificate of incorporation consequent upon conversion from private company to public company was issued by RoC, Bangalore, Karnataka on June 27, 2023.

For further details, please refer to the section titled ‘*History and Certain Corporate Matters*’ beginning on page 140 of this Red Herring Prospectus.

### REGISTERED AND CORPORATE OFFICE OF OUR COMPANY

The address and certain other details of our Registered and Corporate Office are as follows:

#### NEWJAISA TECHNOLOGIES LIMITED

207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road,  
Off Kanakpura Road, Near Delhi Public School Bangalore, 560078, Karnataka, India.  
Tel No: 91 99714 33963  
E-mail: [cs@newjaisa.com](mailto:cs@newjaisa.com)  
Website: [www.newjaisa.com](http://www.newjaisa.com)

For details of the changes in our Registered and Corporate Office, see “*History and Certain Corporate Matters – Changes in the Registered Office*” at page 140.

### COMPANY REGISTRATION NUMBER AND CORPORATE IDENTITY NUMBER

The registration number and corporate identity number of our Company are as follows:

**Corporate Registration Number:** 134935

**Corporate Identification Number:** U32106KA2020PLC134935

### REGISTRAR OF COMPANIES

Our Company is registered with the Registrar of Companies, Karnataka at Bangalore which is situated at the following address:

'E' Wing 2nd Floor, Kendriya Sadana, Kormangala,  
Bangalore-560034, Karnataka, India.  
**Tel No:** 080-25633105 (Direct), 080-25537449/25633104  
**Fax No:** +91 8025538531  
**Email ID:** [roc.bangalore@mca.gov.in](mailto:roc.bangalore@mca.gov.in)  
**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### DESIGNATED STOCK EXCHANGE

SME Platform of National Stock Exchange of India Limited i.e. “NSE Emerge”  
Exchange Plaza, C/1, G Block, Bandra Kurla Complex, Bandra (East),  
Mumbai - 400 051, Maharashtra, India. **Website:** [www.nseindia.com](http://www.nseindia.com)

### OUR BOARD OF DIRECTORS

The following table sets out details regarding our Board as on the date of this Red Herring Prospectus:

| Sr. No. | Name                | Designation                    | DIN      | Address                                                                                              |
|---------|---------------------|--------------------------------|----------|------------------------------------------------------------------------------------------------------|
| 1.      | Vishesh Handa       | Chairman and Managing Director | 07842847 | Villa 71 Villa Scapes Osman Sagar Road Gandipet K V Rangareddy Telangana - 500075                    |
| 2.      | Mukunda Raghavendra | Whole Time Director            | 10060683 | B-12 SBI Colony 40 <sup>th</sup> Main J P Nagar 1st Phase Bangalore South Bangalore Karnataka 560078 |

|    |               |                        |          |                                                                                                                |
|----|---------------|------------------------|----------|----------------------------------------------------------------------------------------------------------------|
| 3. | Ankita Handa  | Non Executive Director | 08690084 | Villa 71 Villa Scapes Osman Sagar Road Gandipet Gandipet K V Rangareddy Telangana – 500075                     |
| 4. | Gaurav Jindal | Independent Director   | 06892227 | Sector-17, Faridabad Kheri Kalan (113) Kheri Kalan Faridabad Faridabad Haryana 121002.                         |
| 5. | Purav D Shah  | Independent Director   | 05126728 | Villa No.36, Villa Scapes, Besides KLR Lane, Opp. Signature Villas, Gandipet, K.V Rangareddy, Telangana-500075 |

For further details of our Directors, please refer to the section titled ‘Our Management’ beginning on page 145 of this Red Herring Prospectus.

#### **CHIEF FINANCIAL OFFICER**

**Mr. Ashish Nirmal**

**Newjaisa Technologies Limited**

207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road,

Off Kanakpura Road, Near Delhi Public School Bangalore, 560078, Karnataka, India

**Tel No.:** +91 99714 33963

**E-mail:** ashish@newjaisa.com

#### **COMPANY SECRETARY AND COMPLIANCE OFFICER**

**Mrs. Poonam Jain**

**Newjaisa Technologies Limited**

207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road,

Off Kanakpura Road, Near Delhi Public School Bangalore, 560078, Karnataka, India

**Tel No.:** +91 93901 77182

**E-mail:** cs@newjaisa.com

#### **Investor Grievances:**

**Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Book Running Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.**

For all Issue related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

#### **DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY**

##### **BOOK RUNNING LEAD MANAGER OF THE ISSUE**



##### **INDORIENT FINANCIAL SERVICES LIMITED**

**Registered Office Address:** A/501, Rustomjee Central Park, Executive Spaces, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India.

**Tel No.:** +91-79772 12186

**E-mail:** compliance-ifsl@indorient.in

**Investor Grievance Email:** wecare@indorient.in

**Website:** www.indorient.in

**Contact Person:** Mr. Ivor Anil Misquith

**SEBI Registration No.:** INM000012661

**CIN:** U67190DL1993PLC052085

## REGISTRAR TO THE ISSUE



### BIGSHARE SERVICES PRIVATE LIMITED

S6-2 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India

**Tel No.:** +91 – 22 – 6263 8200

**Fax No.** +91 – 22 – 6263 8299

**E-mail:** ipo@bigshareonline.com

**Investor Grievance Email:** investor@bigshareonline.com

**Website:** www.bigshareonline.com

**Contact Person:** Mr. Babu Rapheal C

**SEBI Registration No:** INR000001385

**CIN:** U99999MH1994PTC076534

## LEGAL ADVISOR TO THE ISSUE



**Sterling Associates**  
Corporate, Tax and Business Advisory Law Firm

### STERLING ASSOCIATES

B-302, Umarji House, Opposite CritiCare Hospital, Teli Lane, Andheri-East, Mumbai 400 069, Maharashtra, India.

**Tel No.:** +91 91720 75003

**E-mail:** ajay.yadav@sterlingassociates.in

**Contact Person:** Mr. Ajay Yadav

## STATUTORY AND PEER REVIEW AUDITORS



**Abhilashi & Co.**  
Chartered Accountants

### M/s. Abhilashi & Co.

Chartered Accountants

Shop No. 4 , Near Income Tax Office , Model Town Road , Jalandhar City, Punjab-14401, India

**Tel:** +91 97812 66999

**E-mail:** abhilashi.inderrjit@gmail.com

**Website:** NA

**Contact Person:** CA Kuljeet Singh

**Firm Registration No:** 016025N

**Membership No:** 530259

**Peer Review Certificate No:** 015237

## ADVISOR TO THE COMPANY:

|                        |                                                                         |
|------------------------|-------------------------------------------------------------------------|
| <b>Name:</b>           | Pooja Equiresearch Private Limited                                      |
| <b>CIN:</b>            | U6712011HI992PTC068765                                                  |
| <b>Address:</b>        | 102/B, Hari Darshan, Bhogilal Fadia Road, Kandivali (W), Mumbai-400067. |
| <b>Contact No.:</b>    | 9930097170                                                              |
| <b>Email ID:</b>       | poojacomex@gmail.com                                                    |
| <b>Website:</b>        | https://www.poojaequiresearch.com/                                      |
| <b>Contact Person:</b> | Mr. Hiten Ramniklal Mehta                                               |

## UNDERWRITER TO THE ISSUE



**Indorient**  
Financial Services Limited

### INDORIENT FINANCIAL SERVICES LIMITED

**Registered Office Address:** A/501, Rustomjee Central Park, Executive Spaces, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India.

**Tel No.:** +91-79772 12186

**E-mail:** compliance-ifsl@indorient.in

**Investor Grievance Email:** wecare@indorient.in

**Website:** www.indorient.in

**Contact Person:** Mr. Ivor Anil Misquith

**SEBI Registration No.:** INM000012661

**CIN:** U67190DL1993PLC052085

## MARKET MAKER TO THE ISSUE

|                                          |                                                                           |
|------------------------------------------|---------------------------------------------------------------------------|
| <b>Name</b>                              | Nikunj Stock Brokers Limited                                              |
| <b>Registered Office Address</b>         | A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi - 110007         |
| <b>Tel No.:</b>                          | 011-47030017-18/9999492292                                                |
| <b>E-mail:</b>                           | complianceofficer@nikunjonline.com                                        |
| <b>Website:</b>                          | <a href="https://www.nikunjonline.com/">https://www.nikunjonline.com/</a> |
| <b>Contact Person:</b>                   | Mr. Anupam Suman                                                          |
| <b>SEBI Registration</b>                 | INZ000169335                                                              |
| <b>CIN:</b>                              | U74899DL19941PLC060413                                                    |
| <b>NSE Market Maker Registration No.</b> | NSE/MEM/278/06913                                                         |

## BANKER TO OUR COMPANY

### IDFC First Bank

**Address:** Ground Floor No. 1, (old No. 106 C),  
PID No. 59-89, 30th Cross Road 7th Block Jayanagar,  
Bangalore 560070  
**Tel:** +91 86556 53535  
**E-mail:** sabareesh.balasundharan@idfcfirstbank.com  
**Website:** [www.idfcbank.com](http://www.idfcbank.com)

## BANKERS TO THE ISSUE/ PUBLIC ISSUE BANK/ REFUND BANKER/ SPONSOR BANK

|                          |                                                                                                                                             |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name</b>              | HDFC BANK LIMITED                                                                                                                           |
| <b>Address</b>           | Lodha - I Think Techno Campus, O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai - 400042                            |
| <b>Contact Person</b>    | Eric Bacha/ Sachin Gawade / Pravin.Teli / Siddharth Jadhav, Tushar Gavankar                                                                 |
| <b>Tel No.:</b>          | +91 022-30752914 / 28 / 29                                                                                                                  |
| <b>E-mail:</b>           | siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com, tushar.gavankar@hdfcbank.com, pravin.teli2@hdfcbank.com |
| <b>Website:</b>          | <a href="http://www.hdfcbank.com">www.hdfcbank.com</a>                                                                                      |
| <b>SEBI Registration</b> | INBI00000063                                                                                                                                |

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks (SCSB's)

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the above mentioned SEBI link.

### Self-Certified Syndicate Banks eligible as Sponsor 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=41>

### Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the ASBA Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at ASBA Specified Locations, refer to the above mentioned SEBI link.

### Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to

time.

### ***Registrar to the Issue and Share Transfer Agents***

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of SEBI i.e. (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>), respectively, as updated from time to time.

### ***Collecting Depository Participants***

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> from time to time.

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

Since, Indorient Financial Services Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Book Running Lead Manager is not applicable.

## **CREDIT RATING**

As this is an Issue of Equity Shares, there is no credit rating required for the Issue.

## **IPO GRADING**

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

## **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated July 31, 2023 from the Statutory Auditors namely, M/s. Abhilashi & Co, Chartered Accountant to include their name as an “expert” as required under Section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations and as defined under Section 2 (38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements, dated July 17, 2023 and the tax benefits statement dated July 31, 2023, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **GREEN SHOE OPTION**

No green shoe option is contemplated under the Offer.

## **DEBENTURE TRUSTEES**

This is an Issue of Equity Shares hence appointment of debenture trustees is not required.

## **MONITORING AGENCY**

As per Regulation 262 (1) of the SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is below ₹ 10,000 Lakhs. Since the Issue size is below ₹ 10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## **APPRAISAL AGENCY**

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

## **TYPE OF OFFER**

The present Offer is considered to be 100% Book Building Issue.



## FILING OF DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS

The Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring 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. Pursuant to Regulation 246(5) of SEBI ICDR Regulations and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/ Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Companies, Karnataka, E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore-560034, Karnataka

### Book Building Process

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band has been determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process.. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Indorient Financial Services Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager; The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank.

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB 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 BRLM and the Designated Stock Exchange.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid 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 Book Running Lead Manager and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

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, 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. For details in this regards, specific attention are invited to the section titled “*Issue Procedure*” beginning on page 258 of the Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section titled “*Issue Procedure*” on page 258 of this Red Herring Prospectus

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|--------------|----------------|---------------------|--------------|
| 500          | 24             | 500                 | 16.67%       |
| 1000         | 23             | 1500                | 50.00%       |
| 1500         | 22             | 3,000               | 100.00%      |
| 2000         | 21             | 5000                | 166.67%      |
| 2500         | 20             | 7500                | 250.00%      |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 291 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form

## BID/ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

| EVENT                                                                                                  | INDICATIVE DATE                         |
|--------------------------------------------------------------------------------------------------------|-----------------------------------------|
| Bid/Issue Opening Date                                                                                 | Monday, September 25, 2023              |
| Bid/Issue Closing Date                                                                                 | Wednesday, September 27, 2023           |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                  | On or about Wednesday, October 04, 2023 |
| Initiation of Allotment/ Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or about Thursday, October 05, 2023  |
| Credit of Equity Shares to demat accounts of Allottees                                                 | On or about Friday, October 06, 2023    |
| Commencement of trading of the Equity Shares on the Stock Exchange                                     | On or about Monday, October 09, 2023    |

<sup>(1)</sup> Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## UNDERWRITING AGREEMENT

Our Company and the Book Running Lead Manager to the Issue hereby confirm that, this Issue is 100% underwritten by the Underwriter.

Pursuant to the terms of the Underwriting Agreement dated September 16, 2023, obligations of the Underwriter is subject to certain conditions specified therein.

The Underwriter has indicated its intention to underwrite the following number of Equity Shares being offered through this Issue:

| Details of the Underwriter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | No. of shares Underwritten* | Amount Underwritten (₹ in Lakhs) | % of the Total Issue Size Underwritten |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------|----------------------------------------|
| <b>INDORIENT FINANCIAL SERVICES LIMITED</b><br><b>Registered Office Address:</b> A/501, Rustomjee Central Park, Executive Spaces, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India.<br><b>Tel No.:</b> +91-79772 12186<br><b>E-mail:</b> compliance-ifsl@indorient.in<br><b>Investor Grievance Email:</b> wecare@indorient.in<br><b>Website:</b> www.indorient.in<br><b>Contact Person:</b> Mr. Ivor Anil Misquith<br><b>SEBI Registration No.:</b> INM000012661<br><b>CIN:</b> U67190DL1993PLC052085 | 84,96,000                   | [●]                              | 100                                    |

*\*Includes 426,000 Equity shares 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 ICDR Regulations, as amended.*

As per Regulation 260 of ICDR Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of the Board, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

### Changes in Auditors during last 3 Years

M/s. Abhilashi & Co. are appointed as Peer Review Auditors of our Company in compliance with Regulation 229 (3) (b) of Chapter IX of ICDR Regulations and hold a valid peer review certificate no. 015237 dated April 28, 2023 issued by the "Peer Review Board" of the ICAI.

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

| Sr. No. | Particulars of Auditor                                                                                                                                                                                                                                                                                                                                                                             | Date of change     | Reason                                                                             |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------------------------------------------------------------------|
| 1.      | <b>M/s. Abhilashi &amp; Co.</b><br>Chartered Accountants<br>Shop No. 4, Near Income Tax Office, Model Town Road, Jalandhar City, Punjab-14401, India<br><b>Tel:</b> +91 97812 66999<br><b>E-mail:</b> abhilashi.inderjit@gmail.com<br><b>Contact Person:</b> CA Kuljeet Singh<br><b>Firm Registration No:</b> 016025N<br><b>Membership No:</b> 530259<br><b>Peer Review Certificate No:</b> 015237 | July 10, 2023      | Appointment as the Statutory Auditors of the Company                               |
| 2.      | <b>M/s. Abhilashi &amp; Co.</b><br>Chartered Accountants<br>Shop No. 4, Near Income Tax Office, Model Town Road, Jalandhar City, Punjab-14401, India<br><b>Tel:</b> +91 97812 66999<br><b>E-mail:</b> abhilashi.inderjit@gmail.com<br><b>Contact Person:</b> CA Kuljeet Singh<br><b>Firm Registration No:</b> 016025N<br><b>Membership No:</b> 530259<br><b>Peer Review Certificate No:</b> 015237 | April 25, 2023     | Appointment as the Statutory Auditors of the Company due to casual vacancy.        |
| 3.      | <b>R Manmohan &amp; Associates, Chartered Accountant</b><br>605, 10th Cross 7th Block, Jayanagar, Bangalore, Karnataka-KA, 560070, India<br><b>Tel:</b> +91 9880173407<br><b>E-mail:</b> manmohan_r@hotmail.com<br><b>Contact Person:</b> Rajagopal Manmohan<br><b>Membership No:</b> 212570<br><b>Firm Registration No:</b> 023546S<br><b>Peer Review No.:</b> NA                                 | March 03, 2023     | Resignation due to pre occupation in other assignments and other internal reasons. |
| 4.      | <b>R Manmohan &amp; Associates, Chartered Accountant</b><br>605, 10th Cross 7th Block, Jayanagar, Bangalore, Karnataka-KA, 560070, India<br><b>Tel:</b> +91 9880173407<br><b>E-mail:</b> manmohan_r@hotmail.com<br><b>Contact Person:</b> Rajagopal Manmohan<br><b>Membership No:</b> 212570<br><b>Firm Registration No:</b> 023546S<br><b>Peer Review No.:</b> NA                                 | September 30, 2022 | Appointment as the Statutory Auditors of the Company.                              |
| 5.      | <b>R Manmohan &amp; Associates, Chartered Accountant</b><br>605, 10th Cross 7th Block, Jayanagar, Bangalore, Karnataka-KA, 560070, India<br><b>Tel:</b> +91 9880173407<br><b>E-mail:</b> manmohan_r@hotmail.com<br><b>Contact Person:</b> Rajagopal Manmohan                                                                                                                                       | August, 16, 2022   | Appointment as the Statutory Auditors of the Company due to casual vacancy         |

|    |                                                                                                                                                                                                                                                                                                                                                                                                        |                      |                                                                                                                                                |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
|    | <b>Membership No: 212570</b><br><b>Firm Registration No: 023546S</b><br><b>Peer Review No.: NA</b>                                                                                                                                                                                                                                                                                                     |                      |                                                                                                                                                |
| 6. | <b>Jagadeesh Hebbar &amp; Co., Chartered Accountant</b><br>No. 51222 Prestige Falcon City Kanakapura Road,<br>Anjanadri Layout Konanakunte, Bangalore, Karnataka<br>560062, India<br><b>Tel: +91 8553171847</b><br><b>E-mail: cahebbbar@gmail.com</b><br><b>Contact Person: Jagadeesh Hebbar</b><br><b>Membership No: 242573</b><br><b>Firm Registration No: 021634S</b><br><b>Peer Review No.: NA</b> | June 01,<br>2022     | Resignation due to pre occupation<br>in other assignments and other<br>internal reasons.                                                       |
| 7. | <b>Jagadeesh Hebbar &amp; Co., Chartered Accountant</b><br>No. 51222 Prestige Falcon City Kanakapura Road,<br>Anjanadri Layout Konanakunte, Bangalore, Karnataka<br>560062, India<br><b>Tel: +91 8553171847</b><br><b>E-mail: cahebbbar@gmail.com</b><br><b>Contact Person: Jagadeesh Hebbar</b><br><b>Membership No: 242573</b><br><b>Firm Registration No: 021634S</b><br><b>Peer Review No.: NA</b> | November<br>30, 2021 | Appointment as the Statutory<br>Auditors of the Company.                                                                                       |
| 8. | <b>R Manmohan &amp; Associates, Chartered Accountant</b><br>605, 10th Cross 7th Block, Jayanagar, Bangalore,<br>Karnataka-KA, 560070, India<br><b>Tel: +91 9880173407</b><br><b>E-mail: manmohan_r@hotmail.com</b><br><b>Contact Person: Rajagopal Manmohan</b><br><b>Membership No: 212570</b><br><b>Firm Registration No: 023546S</b><br><b>Peer Review No.: NA</b>                                  | November<br>30, 2021 | Completion of the term of<br>appointment of R Manmohan &<br>Associates, Chartered Accountant<br>as first statutory auditors of<br>the Company. |
| 9. | <b>R Manmohan &amp; Associates, Chartered Accountant</b><br>605, 10th Cross 7th Block, Jayanagar, Bangalore,<br>Karnataka-KA, 560070, India<br><b>Tel: +91 9880173407</b><br><b>E-mail: manmohan_r@hotmail.com</b><br><b>Contact Person: Rajagopal Manmohan</b><br><b>Membership No: 212570</b><br><b>Firm Registration No: 023546S</b><br><b>Peer Review No.: NA</b>                                  | July 06,<br>2020     | Appointment of first auditor by<br>the Company.                                                                                                |

## WITHDRAWAL OF THE ISSUE

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

If our Company withdraws the Issue anytime after the Bid/ Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ 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 BRLM, 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 withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Red Herring 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 Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the filing of Red Herring Prospectus/ Prospectus with RoC.

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into Market Making Agreement dated August 25, 2023, with the Book Running Lead Manager and Market Maker to fulfill the obligations of Market Making.

|                                          |                                                                           |
|------------------------------------------|---------------------------------------------------------------------------|
| <b>Name</b>                              | Nikunj Stock Brokers Limited                                              |
| <b>Registered Office Address</b>         | A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi - 110007         |
| <b>Tel No.:</b>                          | 011-47030017-18/9999492292                                                |
| <b>E-mail:</b>                           | complianceofficer@nikunjonline.com                                        |
| <b>Website:</b>                          | <a href="https://www.nikunjonline.com/">https://www.nikunjonline.com/</a> |
| <b>Contact Person:</b>                   | Mr. Anupam Suman                                                          |
| <b>SEBI Registration</b>                 | INZ000169335                                                              |
| <b>CIN:</b>                              | U74899DL19941PLC060413                                                    |
| <b>NSE Market Maker Registration No.</b> | NSE/MEM/278/06913                                                         |

### Market Maker Registration No. (SME Segment of NSE – NSE EMERGE):

Nikunj Stock Brokers Limited Limited, registered with EMERGE platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of 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 any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

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

- (i) 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).
- (ii) 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 the NSE Emerge (SME platform of NSE) and SEBI from time to time.
- (iii) 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.
- (iv) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE Emerge (in this case currently the minimum trading lot size is 3,000 equity shares; however the same may be changed by the NSE Emerge from time to time).
- (v) 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.
- (vi) 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.
- (vii) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- (viii) There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- (ix) 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.

- (x) The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- (xi) 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.
- (xii) The Market Maker(s) shall have the right to terminate said arrangement by giving a 3 (three) months' notice or on mutually acceptable terms to the Merchant Banker, 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 BRLM 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 regulation 261 of the SEBI ICDR Regulations, as amended. Further our Company and the BRLM 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 10.00 A.M. to 5.00 P.M. on working days.
- (xiii) **Risk containment measures and monitoring for Market Makers:** NSE Emerge will have all margins, which are applicable on 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.
- (xiv) **Punitive Action in case of default by Market Makers:** NSE Emerge 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.
- (xv) **Price Band and Spreads:** 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.
- (xvi) 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 Crore to ₹ 50 Crore | 20%                                                                                           | 19%                                                                                              |
| ₹ 50 Crore to ₹ 80 Crore | 15%                                                                                           | 14%                                                                                              |
| Above ₹ 80 Crore         | 12%                                                                                           | 11%                                                                                              |

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

| No. | Market Price Slab (In ₹ ) | Proposed Spread (in % to Sale price) |
|-----|---------------------------|--------------------------------------|
| 1   | Up to 50                  | 9                                    |
| 2   | 50 to 75                  | 8                                    |
| 3   | 75 to 100                 | 6                                    |
| 4   | Above 100                 | 5                                    |

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 this Red Herring Prospectus and after giving effect to the Issue is set forth below:

| Amount (₹ in lakhs, except share data) |                                                                                                                                                                                                     |                                   |                                     |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------|
| Sr. No.                                | Particulars                                                                                                                                                                                         | Aggregate value at face value (₹) | Aggregate value at Issue Price* (₹) |
| <b>A.</b>                              | <b>AUTHORIZED SHARE CAPITAL<sup>(1)</sup></b>                                                                                                                                                       |                                   |                                     |
|                                        | 3,40,00,000 Equity Shares having face value of ₹ 5/-each                                                                                                                                            | 1,700.00                          | -                                   |
| <b>B.</b>                              | <b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>                                                                                                                                |                                   |                                     |
|                                        | 2,36,87,472 Equity Shares having face value of ₹ 5/-each                                                                                                                                            | 1,184.37                          | -                                   |
| <b>C.</b>                              | <b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>                                                                                                                                        |                                   |                                     |
|                                        | Upto 84,96,000 Equity Shares having Face Value of ₹ 5/-each at a Premium of ₹ [●] per share <sup>(2)</sup>                                                                                          | 424.80                            | [●]                                 |
|                                        | <b>Consisting:</b>                                                                                                                                                                                  |                                   |                                     |
| <b>D.</b>                              | <b>Reservation for Market Maker</b> – 4,26,000 Equity Shares reserved as Market Maker Reservation Portion at a price of ₹ [●] per Equity Share                                                      | 21.30                             | [●]                                 |
| <b>E.</b>                              | <b>Net Issue to the Public</b> – 80,70,000 Equity Shares at a price of ₹ [●] per Equity Share                                                                                                       | 403.50                            | [●]                                 |
|                                        | <b>Of the Net Issue to the Public:</b> <sup>(3)</sup>                                                                                                                                               |                                   |                                     |
|                                        | At least 28,26,000 Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Retail Individual Investors                                                                      | 141.30                            | [●]                                 |
|                                        | At least 12,12,000 Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Non-Institutional Investors                                                                      | 60.60                             | [●]                                 |
|                                        | Not more than 40,32,000 Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. Of which shall be allocated to mutual funds. | 201.60                            | [●]                                 |
| <b>F.</b>                              | <b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE</b>                                                                                                                                 |                                   |                                     |
|                                        | 3,21,83,472 Equity Shares of face value of ₹ 5/- each (assuming full subscription in the Issue)                                                                                                     | 1,609.17                          |                                     |
| <b>G.</b>                              | <b>SECURITIES PREMIUM ACCOUNT</b>                                                                                                                                                                   |                                   |                                     |
|                                        | Before the Issue (as on date of this Red Herring Prospectus)                                                                                                                                        |                                   | Nil                                 |
|                                        | After the Issue                                                                                                                                                                                     |                                   | [●]                                 |

\*To be updated upon finalization of the Issue Price. The face value of Equity Shares is ₹ 5 each. The Floor Price is ₹ 44 per Equity Share which is 8.8 times of the Face Value and the Cap Price is ₹ 47 per Equity Share which is 9.4 times of the Face Value.

- (1) For details in relation to the changes in the authorised share capital of our Company, please refer the section titled 'History and Certain Other Corporate Matters – Amendments to the Memorandum of Association' beginning on page 140 of this Red Herring Prospectus.
- (2) The Issue has been authorised by our Board vide a resolution passed at its meeting held on July 07, 2023 and by the shareholders of our Company vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the AGM held on July 10, 2023.
- (3) For detailed information on the Net Issue and its allocation various categories, please refer the section titled 'The Issue' beginning on page 49 of this Red Herring Prospectus

### Class of the Shares:

Our Company has only one class of share capital i.e. equity shares of face value of ₹ 5/- each and all Equity Shares are ranked *pari-passu* in all respect. All Equity Shares issued are fully paid-up as on date of this Red Herring Prospectus.

Except employee stock options granted pursuant to the Newjaisa ESOP Scheme 2023, there are no outstanding convertible securities or any warrant, option or right to convert a debenture, loan or other instrument which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.

## NOTES TO CAPITAL STRUCTURE

### 1. Details of changes in authorised share capital:

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

| Particulars of change                                                                                                                                        |                                                                                                                                                   | Date of Shareholders Meeting | AGM/EGM |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------|
| From                                                                                                                                                         | To                                                                                                                                                |                              |         |
| The authorized share capital of our Company on incorporation comprised of ₹ 10,00,000/-consisting of 100,000 Equity Shares of ₹ 10/- (Rupees Ten Only) each. |                                                                                                                                                   | On Incorporation             | —       |
| ₹ 10,00,000/- consisting of 100,000 Equity Shares ₹ 10/- (Rupees Ten Only) each.                                                                             | ₹ 35,00,000/- consisting of 3,50,000 Equity Shares of ₹ 10/- (Rupees Ten Only) each.                                                              | March 02, 2021               | EGM     |
| ₹35,00,000/- consisting of 3,50,000 Equity Shares ₹ 10/- (Rupees Ten Only) each.                                                                             | ₹ 36,00,000/- consisting of 3,60,000 Equity Shares of ₹ 10/- (Rupees Ten Only) each.                                                              | April 01, 2021               | EGM     |
| ₹ 36,00,000/- consisting of 3,60,000 Equity Shares ₹ 10/- (Rupees Ten Only) each.                                                                            | ₹ 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lakhs) equity shares of ₹ 10/- (Rupees Ten Only) each.     | May 04, 2023                 | EGM     |
| ₹ 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lakhs) equity shares of ₹ 10/- (Rupees Ten Only) each.                | ₹ 15,00,00,000/- (Rupees Fifteen Crore only) divided into 3,00,00,000 (Three Crore) equity shares of ₹ 5/- (Rupees Five Only) each.               | July 06, 2023                | EGM     |
| ₹ 15,00,00,000/- (Rupees Fifteen Crore only) divided into 3,00,00,000 (Three Crore) equity shares of ₹ 5/- (Rupees Five Only) each.                          | ₹ 17,00,00,000/- (Rupees Seventeen Crore only) divided into 3,40,00,000 (Three Crore) Forty Lakhs equity shares of ₹ 5/- (Rupees Five Only) each. | July 06, 2023                | EGM     |

### 2. History of Equity Share capital of our Company

| Date of allotment                                                                                                                                                                                                                                                                                                                                                                                                                               | Number of Equity Shares allotted | Face value per Equity Share (₹) | Issue price per Equity Share (₹) | Nature of consideration | Nature of allotment                | Cumulative number of Equity Shares | Cumulative paid-up Equity Share Capital (₹) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------|----------------------------------|-------------------------|------------------------------------|------------------------------------|---------------------------------------------|
| Incorporation                                                                                                                                                                                                                                                                                                                                                                                                                                   | 10,000                           | 10                              | 10                               | Cash                    | Subscription of MOA <sup>(1)</sup> | 10,000                             | 1,00,000/-                                  |
| September 02, 2021                                                                                                                                                                                                                                                                                                                                                                                                                              | 3,50,000                         | 10                              | Not Applicable                   | --                      | Bonus Shares <sup>(2)</sup>        | 3,60,000                           | 36,00,000/-                                 |
| June 05, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                   | 22,056                           | 10                              | 2,267                            | Cash                    | Preferential Issue <sup>(3)</sup>  | 3,82,056                           | 38,20,560/-                                 |
| Pursuant to a resolution of our Board dated July 3, 2023 and Shareholders' resolution dated July 6, 2023, equity shares of face value of ₹ 10/- each of our Company were sub-divided into equity shares of face value of ₹ 5/- each. Consequently, the issued and subscribed share capital of our Company comprising 3,82,056 equity shares of face value of ₹ 10/- each was sub-divided into 7,64,112 equity shares of face value of ₹ 5 each. |                                  |                                 |                                  |                         |                                    |                                    |                                             |
| July 17, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2,29,23,360                      | 5                               | Not Applicable                   | Not applicable          | Bonus Shares <sup>(4)</sup>        | 2,36,87,472                        | 11,84,37,360                                |

- (1) Initial subscribers to Memorandum of Association subscribed 10,000 Equity Shares at par as per the details given below:

| Sr. No. | Name of allottee   | No. of Equity Shares of Face value of ₹ 10/- each allotted |
|---------|--------------------|------------------------------------------------------------|
| 1.      | Mrs. Sukriti Vijay | 8,000                                                      |
| 2.      | Mrs. Prathibha     | 2,000                                                      |
|         | <b>Total</b>       | <b>10,000</b>                                              |

- (2) Bonus allotment of 3,50,000 Equity Shares by way of bonus issue to the existing shareholders in the ratio of 35 Equity Shares for every 1 Equity Share held by capitalizing ₹ 35,00,000/- out of the free reserves of our Company and pursuant to the approvals received from our Board vide resolution dated August 09, 2021 and shareholders of our Company vide resolution dated August 30, 2021. The details of the allotment are as follows:

| Sr. No. | Name of allottee   | No. of Equity Shares of Face value of ₹ 10/- each allotted |
|---------|--------------------|------------------------------------------------------------|
| 1.      | Mrs. Sukriti Vijay | 2,80,000                                                   |
| 2.      | Mrs. Prathibha     | 70,000                                                     |
|         | <b>Total</b>       | <b>3,50,000</b>                                            |

- (3) The details of preferential allotment of 22,056 Equity Shares made on June 05, 2023 are as follows:

| Sr. No. | Name of allottee                    | No. of Equity Shares of Face value of ₹ 10/- each allotted |
|---------|-------------------------------------|------------------------------------------------------------|
| 1.      | Negen Tech Opportunities Angel Fund | 22,056                                                     |
|         | <b>Total</b>                        | <b>22,056</b>                                              |

- (4) Allotment of 2,29,23,360 Equity Shares by way of bonus issue to the existing shareholders in the ratio of 30 Equity Shares for every 1 Equity Share held, on July 17, 2023, by capitalizing ₹ 11,46,16,800 out of the free reserves and securities premium of our Company and pursuant to the approvals received from our Board vide resolution dated July 07, 2023 and shareholders of our Company vide resolution dated July 10, 2023. The details of the allotment are as follows:

| Sr. No. | Name of allottee                    | No. of Equity Shares of Face value of ₹ 5/- each allotted |
|---------|-------------------------------------|-----------------------------------------------------------|
| 1.      | Mr. Vishesh Handa                   | 2,05,19,700                                               |
| 2.      | Mr. Mukunda Raghavendra             | 10,80,060                                                 |
| 3.      | Mrs. Ankita Handa                   | 60                                                        |
| 4.      | Mrs. Kiran Handa                    | 60                                                        |
| 5.      | Mr. Arun Handa                      | 60                                                        |
| 6.      | Mr. Gaurav Gupta                    | 60                                                        |
| 7.      | Negen Tech Opportunities Angel Fund | 13,23,360                                                 |
| 8.      | <b>Total</b>                        | <b>2,29,23,360</b>                                        |

### 3. Issue of shares for consideration other than cash or out of revaluation of reserves

- a. Our Company has not issued equity shares for consideration other than cash or out of revaluation of reserves at any time since incorporation, except as set out below:

| Name of the Allottee                | No. of Equity Shares | Date of Allotment  | No. of Equity Shares Allotted | Face Value per Equity Share (₹) | Issue Price per Equity Share (₹) | Reason for Allotment                                                                                  | Benefits occurred to our Company       |
|-------------------------------------|----------------------|--------------------|-------------------------------|---------------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------|----------------------------------------|
| Mrs. Sukriti Vijay                  | 2,80,000             | September 02, 2021 | 3,50,000 <sup>(1)</sup>       | 10/-                            | --                               | Bonus issue of equity shares in the ratio of 35:1 i.e. 35 Equity Shares for every 1 Equity Share held | Capitalization of reserves and surplus |
| Mrs. Prathibha                      | 70,000               |                    |                               |                                 |                                  |                                                                                                       |                                        |
| <b>Total</b>                        | <b>3,50,000</b>      |                    |                               |                                 |                                  |                                                                                                       |                                        |
| Mr. Vishesh Handa                   | 2,05,19,700          | July 17, 2023      | 2,29,23,360 <sup>(1)</sup>    | 5/-                             | --                               | Bonus issue of equity shares in the ratio of 30:1 i.e. 30 Equity Shares for every 1 Equity Share held | Capitalization of reserves and surplus |
| Mr. Mukunda Raghavendra             | 10,80,060            |                    |                               |                                 |                                  |                                                                                                       |                                        |
| Mrs. Ankita Handa                   | 60                   |                    |                               |                                 |                                  |                                                                                                       |                                        |
| Mrs. Kiran Handa                    | 60                   |                    |                               |                                 |                                  |                                                                                                       |                                        |
| Mr. Arun Handa                      | 60                   |                    |                               |                                 |                                  |                                                                                                       |                                        |
| Mr. Gaurav Gupta                    | 60                   |                    |                               |                                 |                                  |                                                                                                       |                                        |
| Negen Tech Opportunities Angel Fund | 13,23,360            |                    |                               |                                 |                                  |                                                                                                       |                                        |
| <b>Total</b>                        | <b>2,29,23,360</b>   |                    |                               |                                 |                                  |                                                                                                       |                                        |

<sup>(1)</sup> Equity Shares were allotted to existing shareholders of our Company pursuant to a bonus issue, through capitalization of permitted reserves.

#### 4. Issue of Equity Shares at a price lower than the Issue Price in the last 1 (one) year

Except as mentioned above in under point number 3(a) of 'Notes to Capital Structure', we have not issued any Equity Shares at price below Issue Price within last 1 year from the date of this Red Herring Prospectus.

#### 5. Issue of preference shares or equity shares having superior voting rights

Our Company does not have any preference share capital nor has our Company issued any equity shares having superior voting rights compared to all other Equity Shares issued, as on the date of this Red Herring Prospectus.

#### 6. Issue of Equity Shares pursuant to schemes of arrangement

No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-240 of the Companies Act, 2013 as on the date of this Red Herring Prospectus.

#### 7. Build-up of Promoter's shareholding, Promoter's contribution and lock-in

##### (i) Build-up of Promoter's shareholding

As on the date of this Red Herring Prospectus, our Promoters hold an aggregate of 2,23,19,938 Equity Shares, aggregating to 94.23% of the issued, subscribed and paid-up Equity Share capital of our Company. For further details, see section titled "Our Promoter and Promoter Group" on page 165 of this Red Herring Prospectus.:

| Date of allotment/<br>Transfer and when made fully paid-up*                                                                                                                                                                                                                                                                                                                                                                                     | Nature of allotment                                                                   | No. of Equity Shares | Natu re of Consi derat ion | Face Value per Equity Share (₹) | Issue/ Transf er Price per Equity Share (₹) | Shareholding % |            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------|----------------------------|---------------------------------|---------------------------------------------|----------------|------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                       |                      |                            |                                 |                                             | Pre-Issue      | Post-Issue |
| Vishesh Handa                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                       |                      |                            |                                 |                                             |                |            |
| February 18, 2022                                                                                                                                                                                                                                                                                                                                                                                                                               | Equity Shares Transferred from Mrs. Sukriti Vijay to Mr. Vishesh Handa by way of gift | 2,88,000             | Gift                       | 10/-                            | --                                          | 2.43           | [•]        |
| February 10, 2023                                                                                                                                                                                                                                                                                                                                                                                                                               | Equity Shares Transferred from Mrs. Prathibha to Mr. Vishesh Handa                    | 54,000               | Cash                       | 10/-                            | 71.39/-                                     | 0.46           | [•]        |
| May 04, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                    | Equity Shares Transferred from Mr. Vishesh Handa to Mr. Mukunda Raghavendra           | (1)                  | Cash                       | 10/-                            | 10/-                                        | (Negligible)   | [•]        |
| May 04, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                    | Equity Shares Transferred from Mr. Vishesh Handa to Mr. Arun Kumar Handa              | (1)                  | Cash                       | 10/-                            | 10/-                                        | (Negligible)   | [•]        |
| May 04, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                    | Equity Shares Transferred from Mr. Vishesh Handa to Mrs. Kiran Handa                  | (1)                  | Cash                       | 10/-                            | 10/-                                        | (Negligible)   | [•]        |
| May 04, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                    | Equity Shares Transferred from Mr. Vishesh Handa to Mrs. Ankita Handa                 | (1)                  | Cash                       | 10/-                            | 10/-                                        | (Negligible)   | [•]        |
| May 04, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                    | Equity Shares Transferred from Mr. Vishesh Handa to Mr. Gaurav Gupta                  | (1)                  | Cash                       | 10/-                            | 10/-                                        | (Negligible)   | [•]        |
| Pursuant to a resolution of our Board dated July 3, 2023 and Shareholders’ resolution dated July 6, 2023, equity shares of face value of ₹ 10/- each of our Company were sub-divided into equity shares of face value of ₹ 5/- each. Consequently, the issued and subscribed share capital of our Company comprising 3,82,056 equity shares of face value of ₹ 10/- each was sub-divided into 7,64,112 equity shares of face value of ₹ 5 each. |                                                                                       |                      |                            |                                 |                                             |                |            |
| July 17, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                   | Bonus Issue                                                                           | 2,05,19,700          | NA                         | 5/-                             | Nil                                         | 86.63          | [•]        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                       |                      |                            |                                 |                                             |                |            |
| Total (A)                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                       | 2,12,03,690          |                            |                                 |                                             | 89.51          | [•]        |
| Mukunda Raghavendra                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                       |                      |                            |                                 |                                             |                |            |
| May 04, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                    | Equity Share Transferred from Mr. Vishesh Handa to Mr. Mukunda Raghavendra            | 1                    | Cash                       | 10/-                            | 10/-                                        | Negligible     | [•]        |
| June 19, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                   | Equity Share Transferred from Mrs. Prathibha to Mr. Mukunda Raghavendra               | 18,000               | Gift                       | 10/-                            | --                                          | 0.15           | [•]        |
| Pursuant to a resolution of our Board dated July 3, 2023 and Shareholders’ resolution dated July 6, 2023, equity shares of face value of ₹ 10/- each of our Company were sub-divided into equity shares of face value of ₹ 5/- each. Consequently, the issued and subscribed share capital of our Company comprising 3,82,056 equity shares of face value of ₹ 10/- each was sub-divided into 7,64,112 equity shares of face value of ₹ 5 each. |                                                                                       |                      |                            |                                 |                                             |                |            |

|                    |             |                    |    |     |     |              |            |
|--------------------|-------------|--------------------|----|-----|-----|--------------|------------|
| July 17, 2023      | Bonus Issue | 10,80,060          | NA | 5/- | Nil | 4.56         | [•]        |
| <b>Total (B)</b>   |             | <b>11,16,062</b>   |    |     |     | <b>4.71</b>  | <b>[•]</b> |
|                    |             |                    |    |     |     |              |            |
| <b>Total (A+B)</b> |             | <b>2,23,19,752</b> |    |     |     | <b>94.22</b> | <b>[•]</b> |

*\*All Equity Shares allotted to our Promoter were fully paid-up at the time of allotment*

Our Promoter have confirmed to our Company and the Book Running Lead Manager that the Equity Shares held by our Promoter have been financed from their owned funds and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

**(ii) Details of Promoters' contribution locked in for 3 years:**

Pursuant to Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of 20% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution ("**Promoters Contribution**") and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Red Herring Prospectus, our Promoters collectively hold 1,78,56,000 Equity Shares constituting 53.69% of the Post-Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoter, Mr. Vishesh Handa, has given written consent to include 64,36,695 Equity Shares held by him and subscribed by him as part of Promoters Contribution constituting 20% of the post issue Equity Shares of our Company. Further, he has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

| Name of the Promoter | Number of Equity Shares locked-in | Date of allotment of Equity Shares / Date of Transfer of Equity Shares | Nature of allotment              | Face Value per Equity Share (₹) | Issue/ Acquisition/ Transfer Price (₹) | % of pre-Issue shareholding | % of post-Issue shareholding | Date up to which Equity Shares are subject to lock-in |
|----------------------|-----------------------------------|------------------------------------------------------------------------|----------------------------------|---------------------------------|----------------------------------------|-----------------------------|------------------------------|-------------------------------------------------------|
| Vishesh Handa        | 64,36,695                         | July 17, 2023                                                          | Bonus Issue in the ratio of 30:1 | 5/-                             | Nil                                    | 27.17                       | 20.00                        | [•]                                                   |
| <b>Total</b>         | <b>64,36,695</b>                  |                                                                        |                                  |                                 |                                        |                             | <b>20.00</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 238(a) of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

**Eligibility of Share for Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI ICDR Regulations**

| Regulation. 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. <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> |
| 237 (1) (b)      | Specified securities acquired by promoters during the preceding one year at a price lower than the price at which                                                                                                                                                          | The minimum Promoter's contribution does not consist of                                           |

|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                              |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | specified securities are being offered to public in the initial public offer                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | such Equity Shares. <b>Hence Eligible</b>                                                                                                                                    |
| 237(1) (c)  | Specified securities allotted to promoter 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, where the partners of the erstwhile partnership firms are the promoter of the issuer and there is no change in the management: Provided that specified securities, allotted to promoter against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible | The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>                                                                            |
| 237 (1) (d) | Specified securities pledged with any creditor.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Our Promoters have not Pledged any shares with any creditors Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible.</b> |

**(iii) Details of Promoters' Contribution Locked-in for One Year**

In terms of Regulation 238(b) and 239 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital held by promoters constituting 1,58,83,057 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI ICDR Regulations, the Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the Ratio 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.

- (iv) The lock-in of Equity Shares held by Negen Tech Opportunities Angel Fund, SEBI Registered Category-I Alternative Investment Fund, shall be for a period of one year from the date of allotment. The details of the lock in are as follows:

| Sr. No. | Nature of allotment | Date of allotment | No. of Equity Shares of Face value of ₹ 5/- each shall be locked in | Date up to which Equity Shares are subject to lock-in |
|---------|---------------------|-------------------|---------------------------------------------------------------------|-------------------------------------------------------|
| 1.      | Preferential Issue  | June 05, 2023     | 44,112*                                                             | June 05, 2024                                         |
| 2.      | Bonus Issue**       | July 17, 2023     | 13,23,360                                                           | July 17, 2024                                         |
|         | <b>Total</b>        |                   | <b>13,67,472</b>                                                    |                                                       |

\*Post split of the face value of Equity Shares from ₹ 10 per equity share to ₹ 5 per equity share

\*\* Bonus Issue in the ratio of 30:1

**(v) Other requirements in respect of lock-in**

**a) Inscription or Recording of non-transferability:**

In terms of Regulation 241 of the SEBI ICDR Regulations, our Company shall ensure that the lock in is recorded by the Depositories for pre-IPO Equity Shares which are in dematerialized form.

**b) Pledge of Locked-in Equity Shares:**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters, can be pledged with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security, provided that:

- If the Equity Shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the Issuer or its Subsidiary for the purpose of financing one or more of the objects of the Issue and pledge of Equity Shares is one of the terms of sanction of the loan;

- ii. If the Equity Shares are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the Equity Shares till the lock-in period stipulated in these Regulations has expired.

**c) Transfer of Locked-in Equity Shares:**

In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per the provisions of Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst Promoters or persons/ members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI SAST Regulations, as applicable.

In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than our Promoters and Promoter Group prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 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 SAST Regulations, as applicable.



## 8. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company as per Regulation 31 of SEBI Listing Regulations:

Summary of Shareholding Pattern as on date of this Red Herring Prospectus:

| Category | Category of shareholder        | No. of shareholders | No. of fully paid up Equity Shares held | No. of Partly paid-up Equity Shares held | No. of shares underlying Depository Receipt | Total no. of shares held  | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | No. 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+C) | No. of Locked in shares |            | No. of Shares pledged or otherwise encumbered |            | No. of Equity Shares held in dematerialized form |             |
|----------|--------------------------------|---------------------|-----------------------------------------|------------------------------------------|---------------------------------------------|---------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------------|----------------------|-------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------|-----------------------------------------------|------------|--------------------------------------------------|-------------|
| (I)      | (II)                           | (III)               | (IV)                                    | (V)                                      | (VI)                                        | (VII) = (IV) + (V) + (VI) | (VIII)                                                                                       | Class: Equity Shares                                  | No. of Voting Rights | Total | Total as a % of (A+B+C)                                                          | (X)                                                                                                                                   | (XI) = (VII)+(X)        | Number (a) | As a % of total Shares held (b)               | Number (a) | As a % of total Shares held (b)                  | (XIV)       |
| (A)      | Promoter and Promoter Group    | 5                   | 2,23,19,938                             | ---                                      | ---                                         | 2,23,19,938               | 94.23                                                                                        | 2,23,19,938                                           | 2,23,19,938          | 94.23 | ---                                                                              | ---                                                                                                                                   | ---                     | ---        | ---                                           | ---        | ---                                              | 2,23,19,938 |
| (B)      | Public                         | 2                   | 13,67,534                               | ---                                      | ---                                         | 13,67,534                 | 5.77                                                                                         | 13,67,534                                             | 13,67,534            | 5.77  | ---                                                                              | ---                                                                                                                                   | ---                     | ---        | ---                                           | ---        | ---                                              | 13,67,534   |
| (C)      | Non Promoter- Non Public       | ---                 | ---                                     | ---                                      | ---                                         | ---                       | ---                                                                                          | ---                                                   | ---                  | ---   | ---                                                                              | ---                                                                                                                                   | ---                     | ---        | ---                                           | ---        | ---                                              | ---         |
| (C1)     | Shares underlying DRs          | ---                 | ---                                     | ---                                      | ---                                         | ---                       | ---                                                                                          | ---                                                   | ---                  | ---   | ---                                                                              | ---                                                                                                                                   | ---                     | ---        | ---                                           | ---        | ---                                              | ---         |
| (C2)     | Shares held by Employee Trusts | ---                 | ---                                     | ---                                      | ---                                         | ---                       | ---                                                                                          | ---                                                   | ---                  | ---   | ---                                                                              | ---                                                                                                                                   | ---                     | ---        | ---                                           | ---        | ---                                              | ---         |
|          | Total                          | 7                   | 2,36,87,472                             | ---                                      | ---                                         | 2,36,87,472               | 100                                                                                          | 2,36,87,472                                           | 2,36,87,472          | 100   | Nil                                                                              | Nil                                                                                                                                   | ---                     | ---        | ---                                           | ---        | ---                                              | 2,36,87,472 |

Note:

- As on the date of this Red Herring Prospectus 1 Equity Share holds 1 vote.
- PAN of the shareholders have been provided by our Company prior to listing of Equity Share on the Designated Stock Exchange.
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, 1 day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of the NSE before commencement of trading of such Equity Shares.
- The term "Encumbrance" has the same meaning as assigned under Regulation 28(3) of SEBI SAST Regulations.
- All pre-IPO Equity Shares of our Company will be locked-in prior to listing of Equity Shares on SME Platform of NSE.

## 9. Details of Equity Shares held by our Directors and Key Managerial Personnel

- a. Except as set out below, none of the Directors or Key Managerial Personnel of our Company are holding any Equity Shares and employee stock options in our Company:

| Sr. No.      | Name                | Designation            | No. of Equity Shares | % of the pre-Issue Equity Share capital | Number of employee stock options outstanding | % of the post-Issue expanded Equity Share Capital |
|--------------|---------------------|------------------------|----------------------|-----------------------------------------|----------------------------------------------|---------------------------------------------------|
| 1.           | Vishesh Handa       | Managing Director      | 2,12,03,690          | 89.51                                   | NA                                           | [●]                                               |
| 2.           | Mukunda Raghavendra | Whole Time Director    | 11,16,062            | 4.71                                    | NA                                           | [●]                                               |
| 3.           | Ankita Handa        | Non Executive Director | 62                   | Negligible                              | NA                                           | [●]                                               |
| 4.           | Ashish Nirmal       | CFO                    | NIL                  | NIL                                     | 11,650                                       | [●]                                               |
| <b>Total</b> |                     |                        | <b>2,23,19,814</b>   |                                         | <b>11,650</b>                                |                                                   |

## 10. Acquisition and sale/transfer of Equity Shares by our Promoters, members of the Promoter Group, or the Directors and their relatives in last 6 months:

Except as disclosed below, none of the members of the Promoter Group, the Promoters, or the Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus:

| Date of transaction | Name of transferor | Name of transferee      | Number of Equity Shares | Face Value per Equity Share (₹) | Transfer Price / Issue price per Equity Share (₹) |
|---------------------|--------------------|-------------------------|-------------------------|---------------------------------|---------------------------------------------------|
| May 04, 2023        | Mr. Vishesh Handa  | Mr. Mukunda Raghavendra | 1                       | 10/-                            | 10/-                                              |
| May 04, 2023        | Mr. Vishesh Handa  | Mr. Arun Kumar Handa    | 1                       | 10/-                            | 10/-                                              |
| May 04, 2023        | Mr. Vishesh Handa  | Mrs. Kiran Handa        | 1                       | 10/-                            | 10/-                                              |
| May 04, 2023        | Mr. Vishesh Handa  | Mrs. Ankita Handa       | 1                       | 10/-                            | 10/-                                              |
| May 04, 2023        | Mr. Vishesh Handa  | Mr. Gaurav Gupta        | 1                       | 10/-                            | 10/-                                              |
| June 19, 2023       | Mrs. Prathibha     | Mr. Mukunda Raghavendra | 18,000                  | 10/-                            | Nil*                                              |

\*Equity Shares transferred through gift.

| Date of Allotment | Name                    | **No. of Equity Shares | Face Value per Equity Share (₹) | Issue price per Equity Share (₹) |
|-------------------|-------------------------|------------------------|---------------------------------|----------------------------------|
| July 17, 2023     | Mr. Vishesh Handa       | 2,05,19,700            | 5/-                             | Nil                              |
|                   | Mr. Mukunda Raghavendra | 10,80,060              | 5/-                             | Nil                              |
|                   | Mrs. Ankita Handa       | 60                     | 5/-                             | Nil                              |
|                   | Mrs. Kiran Handa        | 60                     | 5/-                             | Nil                              |
|                   | Mr. Arun Handa          | 60                     | 5/-                             | Nil                              |
| <b>Total</b>      |                         | <b>2,15,99,940</b>     |                                 |                                  |

\*\* Allotment Equity Shares of ₹ 5/- each by way of bonus issue to the existing shareholders in the ratio of 30 Equity Shares of ₹ 5/- each for every 1 existing Equity Share of ₹ 5/- each

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

| <b>Name of our Promoters</b> | <b>No. of Equity Shares held</b> | <b>Average cost of acquisition (in ₹)</b> |
|------------------------------|----------------------------------|-------------------------------------------|
| Mr. Vishesh Handa            | 2,12,03,690                      | 0.18                                      |
| Mr. Mukunda Raghavendra      | 11,16,062                        | 0.000009                                  |

**12. None of the Equity Shares of our Company are subject to any pledge as on the date of this Red Herring Prospectus.**

**13. There are no other persons belonging to the category “Person Acting in Concert” who are holding the Equity Shares of our Company more than 5% of the total number of shares as on the date of this Red Herring Prospectus.**

**14. Except disclosed below, there are no persons belonging to the category “Public” who are holding the Equity Shares of our Company more than 1% of the total number of shares as on the date of this Red Herring Prospectus.**

| <b>Name of Shareholders</b>         | <b>Number of Equity Shares held</b> | <b>% of the pre-Issue paid-up Equity Share Capital</b> |
|-------------------------------------|-------------------------------------|--------------------------------------------------------|
| Negen Tech Opportunities Angel Fund | 13,67,472                           | 5.77                                                   |
| <b>Total</b>                        | <b>13,67,472</b>                    | <b>5.77</b>                                            |

**15. Details of Major Shareholders**

- a) As on the date of the filing of this Red Herring Prospectus, our Company has 07 (seven) Shareholders who hold Equity Shares.
- b) List of shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on date of the Red Herring Prospectus:

| <b>Name of Shareholders</b>         | <b>Number of Equity Shares held</b> | <b>% of the pre-Issue paid-up Equity Share Capital</b> |
|-------------------------------------|-------------------------------------|--------------------------------------------------------|
| Mr. Vishesh Handa                   | 2,12,03,690                         | 89.51                                                  |
| Mr. Mukunda Raghavendra             | 11,16,062                           | 4.71                                                   |
| Negen Tech Opportunities Angel Fund | 13,67,472                           | 5.77                                                   |
| <b>Total</b>                        | <b>2,36,87,224</b>                  | <b>99.99</b>                                           |

- c) List of shareholders holding 1% or more of the Paid-up Capital of our Company as on a date 10 (ten) days prior to the date of the Red Herring Prospectus:

| <b>Name of Shareholders</b>         | <b>Number of Equity Shares held</b> | <b>% of the pre-Issue paid-up Equity Share Capital</b> |
|-------------------------------------|-------------------------------------|--------------------------------------------------------|
| Mr. Vishesh Handa                   | 2,12,03,690                         | 89.51                                                  |
| Mr. Mukunda Raghavendra             | 11,16,062                           | 4.71                                                   |
| Negen Tech Opportunities Angel Fund | 13,67,472                           | 5.77                                                   |
| <b>Total</b>                        | <b>2,36,87,224</b>                  | <b>99.99</b>                                           |

- d) List of shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on a date 1 (one) year prior to the date of the Red Herring Prospectus.

| <b>Name of Shareholders</b> | <b>Number of Equity Shares of held</b> | <b>% of the pre-Issue paid-up Equity Share Capital</b> |
|-----------------------------|----------------------------------------|--------------------------------------------------------|
| Mr. Vishesh Handa           | 2,88,000                               | 80                                                     |
| Mrs. Prathibha              | 72,000                                 | 20                                                     |

|              |                 |            |
|--------------|-----------------|------------|
| <b>Total</b> | <b>3,60,000</b> | <b>100</b> |
|--------------|-----------------|------------|

- e) List of shareholders holding 1% or more of the paid-up Equity Share capital of our Company 2 (two) years prior to the date of filing of this Red Herring Prospectus:

| <b>Name of Shareholders</b> | <b>Number of Equity Shares held</b> | <b>% of the pre-Issue paid-up Equity Share Capital</b> |
|-----------------------------|-------------------------------------|--------------------------------------------------------|
| Ms. Sukrithi Vijay          | 2,88,000                            | 80                                                     |
| Mrs. Prathibha              | 72,000                              | 20                                                     |
| <b>Total</b>                | <b>3,60,000</b>                     | <b>100</b>                                             |

## 16. Newjaisa ESOP Scheme 2023

Our Company pursuant to the resolutions passed by our Board on July 03, 2023 and shareholders on July 06, 2023, has adopted the Newjaisa ESOP Scheme 2023. Our Company may grant an aggregate number of up to 16,09,174 employee stock options under the Newjaisa ESOP Scheme 2023. Upon exercise and payment of the exercise price, the option holder will be entitled to be allotted 16,09,174 Equity Share per employee stock option. Accordingly, the number of Equity Shares that may be issued under the Newjaisa ESOP Scheme 2023 shall not exceed 16,09,174 equity shares of face value ₹ 5/- each. The Newjaisa ESOP Scheme 2023 is effective from July 06, 2023. The objectives of Newjaisa ESOP Scheme 2023 are, among others, to get a share in the value that they help to create for the Company over a period of time, to attract and retain talented people, who add to the strength of the Company and to reward employees for good performance in the past and to motivate similar performance in the future.

The Newjaisa ESOP Scheme 2023 has been framed in compliance with the SEBI SBEBSE Regulations. As on the date of this Red Herring Prospectus, options have been granted by our Company under the Newjaisa ESOP Scheme 2023. The details of the Newjaisa ESOP Scheme 2023 are as follows:

| Particulars                                                                                                                            | Details                                                                                                                              |  |                |
|----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|--|----------------|
| Options granted                                                                                                                        | 16,00,992                                                                                                                            |  |                |
| Exercise price on options (in ₹)                                                                                                       | ₹ 5/- per employee stock option                                                                                                      |  |                |
| Vesting period                                                                                                                         | Minimum vesting period is 1 year from the date of grant of options,                                                                  |  |                |
| Options vested and not exercised                                                                                                       | Nil                                                                                                                                  |  |                |
| Options exercised                                                                                                                      | Nil                                                                                                                                  |  |                |
| The total number of Equity Shares arising as a result of exercise of options                                                           | 16,00,992, assuming all grants are accepted and exercised. As on the date of Red Herring Prospectus, no options have been exercised. |  |                |
| Options forfeited/lapsed                                                                                                               | Nil                                                                                                                                  |  |                |
| Variation of terms of options                                                                                                          | Nil                                                                                                                                  |  |                |
| Money realized by exercise of options                                                                                                  | Nil                                                                                                                                  |  |                |
| Total number of options in force as of September 16, 2023                                                                              | 16,00,992                                                                                                                            |  |                |
| Employee-wise detail of options granted to:                                                                                            |                                                                                                                                      |  |                |
| i. Key Managerial Personnel                                                                                                            | Name of the KMP                                                                                                                      |  | No. of options |
|                                                                                                                                        | Mr. Ashish Nirmal                                                                                                                    |  | 11,650         |
|                                                                                                                                        |                                                                                                                                      |  |                |
| ii. Senior Managerial Personnel                                                                                                        | Name of the SMP                                                                                                                      |  | No. of options |
|                                                                                                                                        | Mr. Sharadkumar Somani                                                                                                               |  | 9,65,504       |
|                                                                                                                                        |                                                                                                                                      |  |                |
| iii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year | Name of the employee                                                                                                                 |  | No. of options |
|                                                                                                                                        | Mr. Sharadkumar Somani                                                                                                               |  | 9,65,504       |
|                                                                                                                                        | Mrs. Richa Gupta                                                                                                                     |  | 1,93,100       |
|                                                                                                                                        | Syed                                                                                                                                 |  | 2,41,376       |
|                                                                                                                                        | Total                                                                                                                                |  | 13,99,980      |
|                                                                                                                                        |                                                                                                                                      |  |                |

|                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                     |                       |             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------|
| iv. Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant                                                                                                                                                            | <b>Name of the employee</b>                                                                                                                                                                         | <b>No. of options</b> | <b>%</b>    |
|                                                                                                                                                                                                                                                                                                                                                                      | Mr. Sharadkumar Somani                                                                                                                                                                              | 9,65,504              | 4.08        |
|                                                                                                                                                                                                                                                                                                                                                                      | Syed                                                                                                                                                                                                | 2,41,376              | 1.02        |
|                                                                                                                                                                                                                                                                                                                                                                      | <b>Total</b>                                                                                                                                                                                        | <b>11,58,604</b>      | <b>4.89</b> |
| Fully diluted Earnings per Equity Share (face value ₹ 5/- per Equity Share) pursuant to issue of Equity Shares on exercise of options calculated in accordance with applicable Accounting Standard for 'Earnings per Share'                                                                                                                                          | Not Applicable since no options had been granted, vested or exercised as on March 31, 2023                                                                                                          |                       |             |
| Lock-in                                                                                                                                                                                                                                                                                                                                                              | None                                                                                                                                                                                                |                       |             |
| Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and its impact on profits and on the Earnings per Equity Share – (face value ₹ 5/- per Equity Share)                                                          | Not Applicable, since no options had been granted, vested or exercised as on March 31, 2023. Further, the employee compensation cost will be calculated on the basis of fair value of stock options |                       |             |
| Description of the pricing formula method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option                | Intrinsic Value Method                                                                                                                                                                              |                       |             |
| Impact on profit and Earnings per Equity Share – (face value ₹ 5/- per Equity Share) of the last 3 years if the accounting policies prescribed in the SEBI SBEBSE Regulations had been followed in respect of options granted in the last 3 years                                                                                                                    | Not applicable since no options had been granted, vested or exercised as on March 31, 2023.                                                                                                         |                       |             |
| Intention of the Key managerial personnel and Whole Time Directors who are holders of Equity Shares allotted on exercise of options granted to sell their Equity Shares within 3 months after the date of listing of Equity Shares pursuant to the Issue                                                                                                             | Not applicable, since no option have been vested as on the date of this Red Herring Prospectus.                                                                                                     |                       |             |
| Intention to sell Equity Shares arising out of an employee stock option scheme within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) | Not applicable, since no option have been vested as on the date of this Red Herring Prospectus.                                                                                                     |                       |             |

17. Neither the Book Running Lead Manager nor their associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) hold any Equity Shares of our Company as on the date of the Red Herring Prospectus.

18. There are no Equity Shares against which depository receipts have been issued.

19. Except for Equity Shares that may be allotted pursuant to the conversion of employee stock options granted under the Newjaisa ESOP Scheme 2023, the Equity Shares Allotted pursuant to the Issue, 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 filing of this Red Herring Prospectus until the listing of Equity Shares on the Designated Stock Exchange pursuant to this Issue.
20. Our Company presently does not have any intention or proposal and is not under negotiations or considerations to alter our capital structure for a period of 6 months from the date of opening of the Issue, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on rights issue basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under the Issue; and (b) any issuance, pursuant to the exercise of employee stock options under the Newjaisa ESOP Scheme 2023. Provided further that if our Company enters into acquisition(s) or Joint Venture(s) or if the business needs otherwise arise, we may, subject to necessary approvals, consider raising additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such Joint Ventures or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by our Board to be in the interest of our Company.
21. There have been no financing arrangements whereby our Promoters, Promoter Group, our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity / individual or otherwise, during the period of 6 months immediately preceding the date of filing of this Red Herring Prospectus.
22. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy-back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
23. An over-subscription to the extent of 10% 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. Consequently, the actual Allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post-Issue paid-up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post-Issue paid-up capital is locked in.
24. Investors may note that in case of over-subscription, Allotment will be on proportionate basis as detailed under 'Basis of Allotment' in the section titled '*Issue Procedure*' beginning on page 258 of this Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253(2) of SEBI ICDR Regulations.
25. Except employee stock options granted pursuant to the Newjaisa ESOP Scheme 2023, there are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.
26. All the Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus. Further, since the entire Issue Price in respect of the Issue is payable on Application, all the successful Applicants will be issued fully paid-up Equity Shares and thus all Equity Shares offered through this Issue shall be fully paid-up.
27. As per RBI regulations, OCBs are not allowed to participate in this Issue.
28. As on the date of the Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.
29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

30. Our Company shall comply with such accounting and disclosure norms as specified by NSE, SEBI and other regulatory authorities from time to time.
31. An Applicant cannot make an Application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
32. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Red Herring Prospectus.
33. We have 7 (seven) shareholders as on the date of filing of the Red Herring Prospectus
34. Our Promoters and the members of our Promoter Group will not participate in this Issue.
35. Our Company has not made any public issue since its incorporation and has not made any rights issue of any kind or class of securities since its incorporation.
36. Our Company has not revalued its assets since its incorporation.
37. This Issue is being made through the Book Building Method.
38. Except employee stock options granted pursuant to the Newjaisha ESOP Scheme 2023, as on date of this Red Herring Prospectus, there are no outstanding financial instruments or any other rights, that would entitle the existing Promoter or shareholders or any other person, any option to receive Equity Shares after the Issue.
39. Our Company shall ensure that transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing this Red Herring Prospectus and the Issue Closing Date shall be reported to the Designated Stock Exchange within 24 hours of such transaction.

For the details of transactions by our Company with our Promoter Group during the Financial Years ended March 31, 2023, 2022, and 2021 please refer to the paragraph titled '*Related Party Transactions*' in the section titled '*Financial Information*' beginning on page 173 of this Red Herring Prospectus. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the section titled '*Our Management*' beginning on page 145 of the Red Herring Prospectus.

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The offer comprises of Fresh issue by our Company (Fresh Issue).

#### PROCEEDS OF FRESH ISSUE

The following table sets forth the details of the Net Proceeds:

(₹ in Lakh)

| Particulars                                                 | Amount* |
|-------------------------------------------------------------|---------|
| Gross Proceeds of the Fresh issue                           | [●]     |
| Less: offer related expenses in relation to the Fresh issue | [●]     |
| <b>Net Proceeds</b>                                         | [●]     |

\*To be updated in the Prospectus prior to filing with RoC.

#### UTILIZATION OF NET PROCEEDS

The following table sets forth the details of the proposed utilisation of the Net Proceeds:

(₹ in Lakh)

| Sr. No. | Particulars                                                                        | Estimated Amount* | % of Gross Proceed | % of Net Proceed |
|---------|------------------------------------------------------------------------------------|-------------------|--------------------|------------------|
| 1       | Expansion of refurbishment facility and purchase of plant, machinery and equipment | 100.00            | [●]                | [●]              |
| 2       | Investment in technology development                                               | 200.00            | [●]                | [●]              |
| 3       | Branding & Marketing                                                               | 200.00            | [●]                | [●]              |
| 4       | Funding Working Capital requirement                                                | 1,545.44          | [●]                | [●]              |
| 5       | Repayment of Bank facilities                                                       | 730.00            | [●]                | [●]              |
| 6       | General Corporate purposes #                                                       | [●]               | [●]                | [●]              |
|         | <b>TOTAL (Net Proceeds)</b>                                                        | [●]               | [●]                | [●]              |

#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Fresh issue.

\*To be updated in the Prospectus prior to filing with RoC.

In addition to the aforementioned objects, our Company expects to receive the benefits of listing of the Equity Shares on the NSE Emerge, the SME Platform of National Stock Exchange of India, including among things, the enhancement of our Company's brand name and creation of a public market in India for our Equity shares.

The main objects and objects incidental and ancillary to the main objects clause of our Memorandum of Association enable our Company to: (i) undertake the existing business activities; and (ii) undertake the activities proposed to be funded from the Net Proceeds. Further, we confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

#### PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in Lakh)

| Objects                                                                            | Amount to be funded from Net Proceeds* | Estimated deployment of the Net Proceeds |           |
|------------------------------------------------------------------------------------|----------------------------------------|------------------------------------------|-----------|
|                                                                                    |                                        | FY – 2024                                | FY – 2025 |
| Expansion of refurbishment facility and purchase of plant, machinery and equipment | 100.00                                 | 100.00                                   | --        |
| Investment in technology development                                               | 200.00                                 | 100.00                                   | 100.00    |
| Branding & Marketing                                                               | 200.00                                 | 100.00                                   | 100.00    |



|                                     |          |          |     |
|-------------------------------------|----------|----------|-----|
| Funding Working Capital requirement | 1,545.44 | 1,545.44 | --  |
| Repayment of Bank facilities        | 730.00   | 730.00   | --  |
| General Corporate purposes #        | [●]      | [●]      | --  |
| <b>TOTAL</b>                        | [●]      | [●]      | [●] |

#The amount utilized for general corporate purpose does not exceed 25% of the gross proceeds of the Offer.

\*To be updated in the Prospectus prior to filing with RoC.

The fund requirements, the proposed deployment of funds and the intended use of the Net Proceeds as set-out above are based on our current business plans, management estimates of future growth projections, vendor quotations, current circumstances of our business and prevailing market conditions, which are subject to change. The fund requirements and proposed deployment of funds described herein have not been appraised by any bank or financial institution or any other independent agency. For details on risks involved, see “Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Offer because of which our business, financial condition and results of operations may be adversely affected.” on page 29.

We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, financial and market conditions, competition, business and strategy, negotiation with lenders and our vendors, interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable law. For details on risks involved, see “Risk Factors”.

We propose to deploy the entire Net Proceeds towards the Objects over financial year 2024 and 2025. However, if the Net Proceeds are not completely utilised for the objects stated above by the end of the above-mentioned period, such amounts will be utilised (in part or full) in subsequent periods, as determined by us, in accordance with applicable law.

Subject to applicable laws, in the event of any increase in the actual utilisation of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and/or debt arrangements from existing and future lenders.

## Means of Finance

We intend to completely finance the Objects from the Net Proceeds. Accordingly, we confirm that we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 7(1)(e) of the SEBI ICDR Regulations and there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue, and existing internal accruals. In case of shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilising our internal accruals and/ or availing further borrowings. Further, if the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Fresh Issue in accordance with the SEBI ICDR Regulations.

## DETAILS OF THE OBJECTS OF THE OFFER

### EXPANSION OF REFURBISHMENT FACILITY AND PURCHASE OF PLANT, MACHINERY AND EQUIPMENT

Our company is engaged in the business of restoring used or pre-owned computers to a functional and marketable condition, extending their lifespan and reducing electronic waste. To utilize the business opportunities and to cater to the increase in demand for IT refurbished products, we’re setting up a new facility at SY Nos. 38/1B, 39/1, 39/2, and 39/3, Arekere Village, Begur Hobli, Bangalore South Taluk, Bangalore-560076, Karnataka, India. The said facility is spread over 28,750 Sq. Ft and is being leased out for a period of 5 years.

The facility is being renovated to meet requirements for the refurbishing process. Capital expenditure is being incurred on following items (a) Facility renovation of 28,750 Sq Ft. + 4000 Sq Ft. Mezzanine encompassing custom flooring, roofing, fire

equipment, networking, security and automation features (b) Electrical requirements including transformer, invertors and other backup mechanisms (c) 600+ sitting capacity including specially designed ESD compliant workbenches and associated equipment and tools for each department. (d) Special purpose clean room, paint booth, bonding/debonding and other specialized facilities which are mandatory to support our processes.

We intend to utilize up to ₹100.00 Lakh from the Net Proceeds of the Fresh issue towards the above initiative. The difference between the project cost and the amount to be funded from net proceeds is being managed from internal accruals and bank funding.

| Sr. No.      | Item                                                                                                                                                 | Quotation from                        | Quotation date | Validity date     | Total Project Cost (₹ in Lakh) | Amount to be funded from Net Proceeds (₹ in Lakh) |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|----------------|-------------------|--------------------------------|---------------------------------------------------|
| 1            | Civil works includes metal structure, roofing, brick walls, flooring and tiles, ceiling works, washrooms, wall and partition works, electrical works | Shradha Enterprises Private Limited   | July 10, 2023  | January 09, 2024  | 249.30                         | 100.00                                            |
| 2            | Electrical works                                                                                                                                     | Sri Mahadeshwar a Electricals         | July 28, 2023  | January 24, 2024  | 16.65                          |                                                   |
| 3            | Plant, machinery and equipment                                                                                                                       | Shradha Enterprises Private Limited   | July 10, 2023  | January 09, 2024  | 112.33                         |                                                   |
| 4            | Furniture and fixtures                                                                                                                               | Shradha Enterprises Private Limited   | July 10, 2023  | January 09, 2024  | 53.69                          |                                                   |
| 5            | Site Landscaping                                                                                                                                     | Shradha Enterprises Private Limited   | July 10, 2023  | January 09, 2024  | 41.87                          |                                                   |
| 6            | Installation of clean room facility and related equipment                                                                                            | M/s Universal Clean Room Technologies | June 08, 2023  | December 07, 2023 | 25.90                          |                                                   |
| <b>TOTAL</b> |                                                                                                                                                      |                                       |                |                   | <b>499.74</b>                  | <b>100.00</b>                                     |

The quotations in relation to the above-mentioned object are valid as on the date of this Red Herring Prospectus. The quotations mentioned above do not include cost of freight, insurance, transportation and /or any other applicable government taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds proposed to be utilised towards the financing of the above object or through contingencies, if required.

Our Company shall have the flexibility to deploy the equipment's and material at additional manufacturing facility, according to the business requirements, which are dynamic, which may evolve with the passage of time and based on the estimates of our management.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above.

In the event that there is a shortfall of funds required for purchase of equipments and funding of other related costs for our new facility, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals or borrowings from financial institutions, *subject to compliance with applicable laws and approvals as may be required.*

## INVESTMENT IN TECHNOLOGY DEVELOPMENT

In order to stay ahead of competition and to build a deeper MOAT for the business, we will need to constantly invest in technology and develop tools and applications that will enhance our business operations and improve our process efficiency.

We plan to invest in building our technology platform specifically focussed on website enhancement to improve customer experience, ERP implementation, and proprietary cross platform application development to streamline purchase, operation and customer experience. A brief summary on the various technology development initiatives is given below:

- (a) **ERP:** Given bespoke requirement of refurbishing industry, we are further upgrading our ERP application to drive efficiency and process improvements. The development will help us to streamline operation decision making, better inventory management, automated internal process alignments. It will be further deeply integrated with our physical manufacturing process using industry 4.0 best practices, helping in automating our workflows. An integrated view across various departments including but not limited to HR, Sales, Purchase, Operations, Customer Support, finance is a mandatory requirement for us to build scalable process.
- (b) **Customer Facing Application Development:** Being a direct to customer company, we utilize and will be investing in further improving our multi channel customer experience and customer reach out. We will be investing in integration with our sales channel partners, our own web and mobile assets and better customer support and warranty experience for our customers.
- (c) **Corporate and Supplier Platform integration:** Our business thrives on end-to-end reverse logistics management, from purchase of old IT assets from corporate, retail and re-cyclers to providing refurbished product to end use customer. Our Purchase side platform helps provide complete transparency, faster processing and seamliness reverse logistics management for our supply partners and is very strategic for our growth.

We have hired M/s Fresh Web based on quotation from them dated July 08, 2023 and the said quotation is valid for a period of 6 (six) months until January 07, 2024. This will be an ongoing engagement and we intend to utilize up to ₹ 200.00 Lakh from the Net Proceeds of the Fresh issue towards the above initiative.

| Sr. No | Item                                          | Count | Cost (₹ in Lakhs) per month | Total Cost (₹ in Lakhs) for 2 years | Amount to be funded from Net Proceeds (₹ in Lakhs) |
|--------|-----------------------------------------------|-------|-----------------------------|-------------------------------------|----------------------------------------------------|
| 1      | <b>Human Resource cost</b>                    |       |                             | <b>225.60</b>                       | <b>175.00</b>                                      |
|        | Technical Architect Business Analyst          | 0.5   | 1.00                        |                                     |                                                    |
|        | Business Analyst                              | 1     | 1.50                        |                                     |                                                    |
|        | Senior C++ Developer                          | 1     | 1.00                        |                                     |                                                    |
|        | Senior Developer (Flutter)                    | 1     | 1.00                        |                                     |                                                    |
|        | Senior ERPNext developer                      | 1     | 1.00                        |                                     |                                                    |
|        | Junior ERPNext Developer                      | 2     | 1.50                        |                                     |                                                    |
|        | Senior Testing Engineer (Manual / Automation) | 1     | 1.00                        |                                     |                                                    |
|        | Junior Testing Engineer                       | 1     | 0.60                        |                                     |                                                    |
|        | L1 support                                    | 2     | 0.80                        |                                     |                                                    |
|        |                                               |       |                             |                                     |                                                    |
| 2      | <b>Server and hardware Cost</b>               |       |                             | <b>25.20</b>                        | <b>25.00</b>                                       |
|        | APP server                                    | 2     | 0.18                        |                                     |                                                    |
|        | Database Server                               | 1     | 0.35                        |                                     |                                                    |
|        | Load Balance                                  | 1     | 0.03                        |                                     |                                                    |

|  |                         |   |      |               |               |
|--|-------------------------|---|------|---------------|---------------|
|  | Data Transfer cost      | 1 | 0.09 |               |               |
|  | Server maintenance cost | 1 | 0.40 |               |               |
|  |                         |   |      |               |               |
|  | <b>TOTAL</b>            |   |      | <b>250.80</b> | <b>200.00</b> |

## BRANDING & MARKETING

Our Company is a tech driven full stack D2C IT electronics brand providing quality bespoke refurbished electronics at significant discount as compared to new products. We have a significant impact on how our consumers perceive our brand. Branding and marketing help us to attract new customers, increase sales, and command a premium price for products and services. A strong brand can also help to build customer loyalty and create a sense of community around the brand.

To create recall value and build local credibility, we propose to invest in marketing initiatives such as online and offline marketing campaigns, events, conferences and other events as appropriate from time to time to drive leads for our business and enhance our business credibility. A brief on all such initiatives is given below :

1. **Advertising on Marketplaces:** NewJaisa's presence on established online marketplaces allows the company to tap into a wide customer base actively seeking electronic products. Marketplaces offer a ready-made infrastructure for transactions and provide an opportunity to showcase positive customer reviews, boosting credibility.
2. **Website:** The company's website serves as a digital storefront and a hub of information. Investing in search engine optimization (SEO) and user experience optimization will improve the website's visibility on search engines and provide a seamless browsing experience. A well-designed website instills confidence in customers, as it reflects the company's commitment to quality and professionalism.
3. **Alliances:** Forming strategic alliances with complementary businesses can result in a win-win situation. Collaborating with tech service providers, software companies, or accessory manufacturers can create cross-promotional opportunities. Such alliances not only introduce NewJaisa to new customer segments but also offer added value to existing customers, strengthening brand loyalty.
4. **Targeted Engagement:** Different channels attract different customer demographics. By utilizing a mix of channels i.e. google, meta etc and influencer marketing tools, NewJaisa intends to tailor its messaging and offerings to suit each audience and drive product sales.

Modern marketing techniques allow for detailed tracking and measurement of campaign performance. This data driven approach ensures that marketing spends are directed toward strategies yielding the best return on investment.

We intend to utilize up to ₹ 200.00 Lakh from the Net Proceeds of the Fresh issue towards the above initiative in Branding and Marketing as per the following details.

| Sr. No | Item                                    | Cost (₹ in Lakhs) per year | Estimated Cost (₹ in Lakhs) for 2 years |
|--------|-----------------------------------------|----------------------------|-----------------------------------------|
| 1      | <b>Brand Awareness</b>                  |                            | <b>70.00</b>                            |
|        | Influencer marketing                    | 7.50                       |                                         |
|        | Social media management                 | 3.00                       |                                         |
|        | Search engine marketing                 | 3.60                       |                                         |
|        | Public relations                        | 9.00                       |                                         |
|        | Google / Meta Brand awareness campaigns | 11.90                      |                                         |
|        | <b>Total</b>                            | <b>35.00</b>               |                                         |
| 2      | <b>Performance marketing</b>            |                            | <b>130.00</b>                           |
|        | Google ad search campaigns              | 10.00                      |                                         |

|  |                                  |               |               |
|--|----------------------------------|---------------|---------------|
|  | Google performance max campaigns | 12.00         |               |
|  | Google shopping campaigns        | 9.00          |               |
|  | Meta shopping campaigns          | 12.00         |               |
|  | Meta Ad campaigns                | 12.00         |               |
|  | Programmatic campaigns           | 10.00         |               |
|  | <b>TOTAL</b>                     | <b>65.00</b>  |               |
|  | <b>G. TOTAL</b>                  | <b>100.00</b> | <b>200.00</b> |

We have received a quotation from M/s ANS Commerce dated July 03, 2023 and the same is and is valid for a period of 6 (six) months until January 02, 2024.

## FUNDING WORKING CAPITAL REQUIREMENTS

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and financing from various banks and financial institutions. Our Company's existing working capital requirement and funding on the basis of Restated Financial Statements for Fiscal 2021, Fiscal 2022 and Fiscal 2023 are as stated below:

| (₹ in Lakh)                                                   |                |                |                |
|---------------------------------------------------------------|----------------|----------------|----------------|
| Particulars                                                   | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|                                                               | Restated       | Restated       | Restated       |
| <b>Current Assets</b>                                         |                |                |                |
| Inventories                                                   | 1282.75        | 346.48         | 70.09          |
| Short Term Loans & Advances                                   | 161.81         | 23.10          | 22.60          |
| Trade Receivables                                             | 572.17         | 147.56         | 80.52          |
| Cash and Cash Equivalents                                     | 140.71         | 7.91           | 138.25         |
| Other Current Assets                                          | 0.00           | 0.00           | 0.00           |
| <b>Total (I)</b>                                              | <b>2157.44</b> | <b>525.05</b>  | <b>311.46</b>  |
| <b>Current Liabilities</b>                                    |                |                |                |
| Short Term Borrowings                                         | 743.70         | 181.82         | 162.64         |
| Trade Payables                                                | 321.72         | -              | 17.55          |
| Other Current Liabilities                                     | 119.38         | 108.21         | 65.62          |
| Short Term Provisions                                         | 88.68          | 11.51          | 17.02          |
| <b>Total (II)</b>                                             | <b>1273.48</b> | <b>301.54</b>  | <b>262.83</b>  |
| <b>Net Working Capital (I) – (II)</b>                         | <b>883.96</b>  | <b>223.51</b>  | <b>48.63</b>   |
| <b>Fund Pattern</b>                                           |                |                |                |
| <b>I. Borrowings for meeting working capital requirements</b> |                |                |                |
| - Short term borrowings                                       | 743.70         | 181.82         | 48.63          |
| - Long term borrowings                                        | Nil            | Nil            | Nil            |
| <b>II. Networth / Internal Accruals</b>                       | 140.26         | 41.69          | Nil            |

Note: Pursuant to the certificate dated 30<sup>th</sup> August, 2023, issued by Abhilashi & Co., Chartered Accountants.

## Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated July 17, 2023 has approved the business plan for the Fiscal 2024 and Fiscal 2025. The estimated and projected working capital requirements for Fiscal 2024 is stated below:

| Particulars                                              | Fiscal 2024     |
|----------------------------------------------------------|-----------------|
|                                                          | Estimated       |
| <b>Current Assets</b>                                    |                 |
| Inventories                                              | 3304.76         |
| Short Term Loans & Advances                              | 275.60          |
| Trade Receivables                                        | 1531.11         |
| Cash and Cash Equivalents                                | 297.45          |
| Other Current Assets                                     | 60.00           |
| <b>Total (I)</b>                                         | <b>5,468.92</b> |
| <b>Current Liabilities</b>                               |                 |
| Short Term Borrowings                                    | 100.32          |
| Trade Payables                                           | -               |
| Other Current Liabilities                                | 413.40          |
| Short Term Provisions                                    | 137.80          |
| <b>Total (II)</b>                                        | <b>651.52</b>   |
| <b>Net Working Capital (I) – (II)</b>                    | <b>4,817.44</b> |
| <b>Fund Pattern</b>                                      |                 |
| <b>I. Net worth / Internal Accruals / Bank Borrowing</b> | 3,271.96        |
| <b>II. Issue Proceeds</b>                                | <b>1545.44</b>  |

Note: Pursuant to the certificate dated 30<sup>th</sup> August, 2023, issued by Abhilashi & Co., Chartered Accountants.

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

The table below sets forth the details of holding levels (in days) for Fiscal 2021, Fiscal 2022, Fiscal 2023 as well as projections for Fiscal 2024:

| (in days)                   |                |                |                |             |
|-----------------------------|----------------|----------------|----------------|-------------|
| Particulars                 | March 31, 2021 | March 31, 2022 | March 31, 2023 | Fiscal 2024 |
| Inventories                 | 20             | 40             | 118            | 85          |
| Short Term Loans & Advances | 9              | 3              | 13             | 5           |
| Trade Receivables           | 15             | 15             | 30             | 19          |
| Cash and Cash Equivalents   | 53             | 1              | 12             | 5           |
| Other Current Assets        | 0              | 0              | 0              | 1           |
| Short Term Borrowings       | 62             | 24             | 61             | 2           |
| Trade Payables              | 5              | 0              | 23             | 6           |
| Other Current Liabilities   | 28             | 16             | 12             | 9           |
| Short Term Provisions       | 7              | 2              | 9              | 3           |

1. Inventories days - Average Inventory for the period / Cost of Goods Sold for the period X365
2. Short Term Loans & Advances - Closing Short Term Loans & Advances for the period / Revenue from Operations for the period X 365
3. Trade Receivables - Average Trade Receivable for the period / Revenue from Operations for the period X 365
4. Cash and Cash Equivalents - Closing Cash and Cash Equivalent for the period / Revenue from Operations for the period X 365
5. Other Current Assets - Closing Other Current Assets for the period / Revenue from Operations for the period X365
6. Short Term Borrowings - Closing Short term Borrowing for the period Revenue from Operations for the period X365
7. Trade Payables - Average Trade Payables for the period / Purchases of traded goods for the period X 365
8. Other Current Liabilities - Closing Other Current Liabilities for the period / Total Expenses for the period X 365
9. Short Term Provisions - Closing Short Term Provisions for the period / Total Expenses for the period X 365

Note: Pursuant to the certificate dated 30<sup>th</sup> August, 2023, issued by Abhilashi & Co., Chartered Accountants.

## Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

| Particulars                   | Assumption and Justifications                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inventory                     | The Company inventory holding period for financial year 2024 has projected 85 days as compared to 118 days and 40 days in financial year 2023 and 2022 respectively. Due to inherent nature of the business, the Company is required to maintain high level of inventory throughout the year. During financial year 2023, the Company had 118 days of inventory primarily driven by the excess supply of used IT equipment and the need for the company to capture inventory to support business growth. Going forward the company intends to monitor its inventory requirements closely and expects the holding period to normalise at 85 days.                                                                                           |
| Trade Receivables             | The Company trade receivable days for the financial year 2024 has been projected 19 days in 2024 as compared to 30 days and 15 days in financial year 2023 and 2022 respectively. The increase in Trade receivables is primarily on account of the increase in corporate sales for financial year 2023. At this stage the company has made significant progress on its operating model and is now able to negotiate better terms with its customers, Accordingly, so while the company intends to expand the pool of corporate sales in the current financial year as well, we expect to negotiate better terms on such sales and therefore we project trade receivables to normalise at 19 days based on the projected business activity. |
| Short Term Loans and Advances | Short-Term Loans and Advances majorly consists Advance to suppliers and balance with government authorities. Short-Term Loans and Advances have been maintained in line with the projected 5 days for the Financial Years 2024 as compared to 13 and 3 days in financial year 2022 and 2023 respectively.                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Other Current Assets          | There are no “Other Current Assets” during financial year 2022 and 2023. In Financial Year 2024, the Company has taken one more office on rent this amount represents the rental deposit for the same.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Trade Payable                 | Historically the Company has received credit from its suppliers however the same resulted in high cost of purchased goods. During Financial Year 2023, the trade payables stood at ₹ 321.72 lakhs however the Company aims to reduce the same to 6 with its Minimum Creditor policy which will help them sourcing used IT inventory on better pricing terms                                                                                                                                                                                                                                                                                                                                                                                |
| Other Current Liabilities     | Other Current Liabilities mainly consists statutory dues, expenses payable to employees and related parties and other expenses for payables. The Company is expecting the same to be 9 days for Financial Year 2024 as compared to 12 and 16 days during financial year 2022 and 2023 respectively to manage the working capital cycle with more efficiency.                                                                                                                                                                                                                                                                                                                                                                               |
| Short Term Provisions         | Short Term Provisions mainly consists of provision for tax and provision for warranty. The Company is expecting the same to be 3 days for financial year 2024 as compared to 9 days and 2 days for Financial Year 2023 and 2022 respectively.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

Our Company proposes to utilize upto ₹ 1,545.44 Lakh of the Net Proceeds in Fiscal 2024 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2024 will be arranged from internal accruals/net worth/ borrowings.

## BANK FACILITIES

Company started its operation in June 2020, when the first wave of COVID-19 was on peak. The initial phase of operations was an exceptional one, when the survival of any industry was in doubt. Whereas 2021-2022 was totally different except for the Q1 where company have been able to scale its operation by setting up its plant and hiring more resources.

Our Company has entered into various financing arrangements, including borrowings in the form of long-term loans and cash credit facilities. As at September 10, 2023, our total secured borrowings amounted to ₹ 906.85 Lakh and unsecured borrowing amounted to 24.51. For further details, see “*Financial Indebtedness*” on page 223. Our Company proposes to utilize an aggregate amount of ₹730.00 Lakh from the Net Proceeds towards repayment and / or prepayment, in part or in full, of certain outstanding loans of our Company. Payment of interest, prepayment penalty or premium, if any, and other related costs may be made by us out of the Net Proceeds. The repayment / prepayment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, we believe that it will reduce our debt-servicing costs and improve our debt equity ratio and enable utilization of internal accruals for further investment in our business growth and expansion.

Given the nature of the borrowings and the terms of repayment or pre-payment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, refinance or avail additional borrowings from the bank. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments and enhancement of sanctioned limits.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed shall be based on various factors, including (i) cost of the borrowing, including applicable interest rates; (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers/ consents for fulfilment of such conditions; (iii) terms and conditions of such consents and waivers; (iv) provisions of any laws, rules and regulations governing such borrowings; and (v) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The pre-payment or scheduled repayment will help reduce our outstanding indebtedness and finance cost, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, it will also enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following table provides details of certain borrowings availed by our Company as on September 10, 2023, which our Company proposes to prepay or repay, fully or partially, from the Net Proceeds:

| Name of the lender**<br>*                | Date of sanction letter/ facility agreement | Nature of borrowing                  | Sanctioned amount (in ₹ Lakh) | Outstanding amount (₹ in Lakhs) as on September 10, 2023 | Repayment date / schedule | Interest rate (p.a.) as at September 10, 2023 (%) | Purpose of raising the loan              | Pre-payment penalty, if any |
|------------------------------------------|---------------------------------------------|--------------------------------------|-------------------------------|----------------------------------------------------------|---------------------------|---------------------------------------------------|------------------------------------------|-----------------------------|
| IDFC First Bank Limited                  | March 18, 2023                              | Working Capital                      | 850                           | 706.56                                                   | Revolving                 | 9.20                                              | Working capital                          | NIL                         |
| IDFC First Bank Limited                  | March 18, 2023                              | Term Loan                            | 150                           | 106.54                                                   | 48 Months                 | 9.20                                              | Towards capital expenditure of new plant | Nil                         |
| Capsave Finance Services Private Limited | March 8, 2023                               | Dropline Working Capital Demand Loan | 125                           | 93.75                                                    | 360 Days                  | 14.75                                             | Working Capital                          | Nil                         |

\*\*\* Additionally, our Company may avail additional loan facilities or draw down existing facilities from time to time to meet our business requirements. Accordingly, our Company may utilise the Net Proceeds for repayment/ prepayment of any such refinanced facilities (including any prepayment fees or penalties thereon), any additional facilities obtained by our Company or working capital facilities outstanding at the time of utilisation of Net Proceeds.

Note: In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposes availed, the Company has obtained the requisite certificate dated September 15, 2023 from our Statutory Auditors, Abhilashi & Co, Chartered Accountants.

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see “Financial Indebtedness” on page 223.



## GENERAL CORPORATE EXPENSES

We propose to deploy the balance Net Proceeds aggregating to ₹ [●]. lakhs towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which we propose to utilise the Net Proceeds include meeting day to day expenses include short-term working capital requirements, meeting any expense of the Company, including salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties, meeting expenses incurred in the ordinary course of business and towards any exigencies, and any other purpose, as considered expedient and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including the necessary provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and our business requirements, from time to time. Our management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any

### Details of funds deployed till date and sources of funds deployed

The funds deployed up to August 31, 2023 pursuant to the object of this Issue as certified by the Auditors of our Company, viz. M/s Abhilashi & Co, Chartered Accountants pursuant to their certificate dated September 15, 2023 is given below:

| Deployment of Funds    | Amount<br>(₹ in Lakh) |
|------------------------|-----------------------|
| Issue related expenses | 19.90                 |
| <b>TOTAL</b>           | <b>19.90</b>          |

| Sources of Funds  | Amount<br>(₹ in Lakh) |
|-------------------|-----------------------|
| Internal accruals | 19.90                 |
| <b>TOTAL</b>      | <b>19.90</b>          |

## ESTIMATED OFFER RELATED EXPENSES

The total expenses for this Offer are estimated not to exceed ₹ [●] Lakh which is [●]% of Issue Size. The details of Offer expenses are tabulated below:

(₹ in Lakh)

| Particulars                                                                     | Amount     | % of Total<br>Offer Expenses | % of Total Issue<br>size |
|---------------------------------------------------------------------------------|------------|------------------------------|--------------------------|
| Book Running Lead Manager fees                                                  | [●]        | [●]                          | [●]                      |
| Underwriting & Selling commissions fees                                         | [●]        | [●]                          | [●]                      |
| Brokerage, selling commission and other uploading fees                          | [●]        | [●]                          | [●]                      |
| Fees payable to Registrar to the Offer                                          | [●]        | [●]                          | [●]                      |
| Fees to the legal advisor, audit / chartered accountant fees                    | [●]        | [●]                          | [●]                      |
| Advertising and marketing expenses                                              | [●]        | [●]                          | [●]                      |
| Fees payable to regulators including stock exchanges                            | [●]        | [●]                          | [●]                      |
| Printing and distribution expenses                                              | [●]        | [●]                          | [●]                      |
| Others, if any (market making, depositories, marketing fees, secretarial, etc.) | [●]        | [●]                          | [●]                      |
| <b>TOTAL EXPENSES</b>                                                           | <b>[●]</b> | <b>[●]</b>                   | <b>[●]</b>               |

**ASBA Bankers:** The SCSBs will be entitled to selling commission of [●] % (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual investor and non-Institutional investor. No other fees/commission shall be payable on the application forms directly procured by them.

The SCSBs would be entitled to processing fees of [●] % (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.

**SYNDICATE ASBA:** Other intermediaries (syndicate/sub-syndicate/registered broker/CRTAs/CDPs or for using 3-in-1 type account i.e. linked online trading, demat and bank account provided by some of the registered brokers) will be entitled to selling commission of ₹10/- (plus GST) per valid application form for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual investor and Non-Institutional investor.

**Issuer banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) per valid application form made by the Retail Individual investors using the UPI mechanism for processing. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars and other applicable laws.

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 and other intermediaries.

Any expenses incurred towards IPO related expenses will be reimbursed/ recouped out of the gross proceeds of the Issue.

The processing fees for applications made by UPI investors using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, 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.

## **INTERIM USE OF NET PROCEEDS**

Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, as may be approved by our Board or a duly constituted committee thereof.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets

## **BRIDGE FINANCING FACILITIES**

We have not raised any bridge loans from any bank or financial institution as on the date of Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

## **MONITORING OF UTILISATION OF FUNDS**

Proposed size of the Offer is less than ₹10,000.00 Lakh in terms of Regulation 262 of the SEBI ICDR Regulations, appointment of a monitoring agency for the purposes of this Offer is not mandatory and hence no Monitoring Agency is being appointed for this Issue.

Pursuant to Regulation 32 of the SEBI Listing Regulations, 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 Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI Listing Regulations 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 Red Herring Prospectus.

## **VARIATIONS IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Offer without being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. In accordance with the Companies Act, 2013, our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and the SEBI ICDR Regulations.

## **OTHER CONFIRMATIONS**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, our Directors, our Key Management Personnel or Group Company. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoters, Promoter Group, our Directors, our Key Management Personnel. Further, pursuant to the Offer, the Net Proceeds received by our Company shall only be utilised for objects identified by our Company and for general corporate purposes and none of our Promoters, Promoter Group, Group Companies of our Company, as applicable, shall receive a part of or whole Net Proceeds directly or indirectly.

## 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 “*Our Business*” and its financial statements under the section titled “*Financial Information*” beginning on page 29, 119 and 173 respectively of the Red Herring 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 Price Band, Floor Price and Cap Price has been determined by our Company in consultation with the BRLMs on the basis of quantitative and qualitative factors as described below. Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 5/- each and the Floor Price is 8.8 times of the face value and the cap price is 9.4 times of the face value. The financial information included herein is derived from our Restated Financial Information.

For the purpose of making an informed investment decision, the investors should also refer sections titled “*Risk Factors*”, “*Our Business*” and “*Restated Financial Statement*” beginning on pages 29, 119 and 173 respectively of this Red Herring Prospectus

## QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- a) Proprietary and scalable refurbishment process
- b) Partnership with industry leaders
- c) Highly qualified team with robust experience
- d) Market opportunity from CSR and other ESG linked initiatives
- e) Expansion into new verticals like tablets and other IT products etc
- f) Entry into international market

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to section titled “*Our Business*” beginning on page 119 of the Red Herring Prospectus.

## QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “*Financial Information*” on page 173 of this Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

### 1. Basic & Diluted Earnings per share (EPS) (Face value of Rs. 5 each):

As per the Restated Financial Statements;

| Sr. No | Period                       | Basic & Diluted | Weights |
|--------|------------------------------|-----------------|---------|
| 1      | Period ending March 31, 2023 | 3.03            | 3       |
| 2      | Period ending March 31, 2022 | 0.81            | 2       |
| 3      | Period ending March 31, 2021 | 0.33            | 1       |
|        | <b>Weighted Average</b>      | <b>1.84</b>     |         |

Notes :

- (1) Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – “*Earnings per Share*” issued by the Institute of Chartered Accountants of India.
- (2) The ratios have been computed as below:

- Basic EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year/period considering the issuance of bonus and Split after the balance sheet date
  - Diluted EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.
- (3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.
- (4) Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e.  $\{(EPS \times Weight) \text{ for each year} \} / \{Total \text{ of weights} \}$ .

**2. Price Earning (P/E) Ratio in relation to the Price Band of Rs 44 to Rs 47 per Equity Share of Face Value of 5/- each fully paid up**

| Particulars                                                                     | (P/E) ratio at the Floor Price | (P/E) ratio at the Cap Price |
|---------------------------------------------------------------------------------|--------------------------------|------------------------------|
| P/E ratio based on the Basic & Diluted EPS, as restated for Financial Year 2023 | 14.52                          | 15.51                        |
| P/E ratio based on the Weighted Average EPS                                     | 23.91                          | 25.54                        |

**3. Industry P/E ratio :**

| Industry P/E ratio |    |
|--------------------|----|
| Highest            | NA |
| Lowest             | NA |
| Industry Average   | NA |

*Note: There is no industry applicable for this Company and only one company is comparable*

**4. Average Return on Net worth (RoNW)\***

| Sr. No | Period                       | RoNW (%) | Weights |
|--------|------------------------------|----------|---------|
| 1      | Period ending March 31, 2023 | 72.63    | 3       |
| 2      | Period ending March 31, 2022 | 70.79    | 2       |
| 3      | Period ending March 31, 2021 | 98.66    | 1       |
|        | <b>Weighted Average</b>      | 76.36    |         |

*\*Restated Profit after tax/Net Worth*

**Notes:**

- i) *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e.  $(RoNW \times Weight) \text{ for each year} / \text{Total of weights}$ .*
- ii) *Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Restated net worth at the end of the year/period March 31, 2023.*
- iii) *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write- back of depreciation and amalgamation.*

## 5. Net Asset Value (NAV) per Equity Share:

| Sr. No | NAV as per Equity Share*             | Amount in ₹ |
|--------|--------------------------------------|-------------|
| a)     | As at March 31, 2023                 | 4.17        |
| b)     | As at March 31, 2022                 | 1.14        |
| c)     | As at March 31, 2021                 | 0.34        |
| d)     | NAV per equity share at floor price  | 16.06       |
|        | NAV per equity share at cap price    | 16.85       |
| e)     | NAV per equity share after the Issue | [●]         |
| f)     | Issue Price                          | [●]         |

\*As per Restated Financial Statements: a) On post-bonus is ₹ 4.17 per share FY 2023.

### Notes:

Net Asset Value per Equity Share = Net worth as per the Restated Financial Statements / Number of equity shares outstanding as at the end of year/period adjusted for bonus and split

## 6. Comparison of Accounting Ratios with Industry Peers

| Name of Company               | Face Value (Rs.) | EPS* (Rs.) (FY23) |         | P/E  | RoNW (%)* | Book Value per share as on 31.03.2023 | Total Income (₹ in lakhs) | Total Equity (₹ lakhs) | Net Asset Value per Equity Share (₹) (FY23) |
|-------------------------------|------------------|-------------------|---------|------|-----------|---------------------------------------|---------------------------|------------------------|---------------------------------------------|
|                               |                  | Basic             | Diluted |      |           |                                       |                           |                        |                                             |
| NewJaisa Technologies Limited | 5                | 3.03              | 3.03    | [●]  | 72.63%    | 4.17                                  | 4453.23                   | 1184.37                | 4.17                                        |
| <b>Peer Group</b>             |                  |                   |         |      |           |                                       |                           |                        |                                             |
| Cerebra Technologies Limited  | 10               | 2.45              | 2.31    | 2.45 | 0.96%     | 23.70                                 | 8620.3                    | 11198.64               | 23.70                                       |

## 7. Operational Data Matrices

| Diwali Month Sales                          |                |                |                |
|---------------------------------------------|----------------|----------------|----------------|
| Description                                 | Year 2020-2021 | Year 2021-2022 | Year 2022-2023 |
| Units sold (Nos)                            | 1499           | 3829           | 5644           |
| YOY Growth %                                | -              | 155%           | 47.40%         |
| Revenue (₹ in Lakh)                         | 353.38         | 760.75         | 1,023.91       |
| YOY Growth                                  | -              | 115%           | 35%            |
| Units Sold/ Processed (yoy- Financial Year) |                |                |                |
| Description                                 | Year 2020      | Year 2021      | Year 2022      |
| Units Sold                                  | 8,928          | 24,959         | 42,043         |
| YOY Growth %                                | -              | 180%           | 69%            |

Note: Since inception till July,2023, the Company has processed more than 50,000 unique orders

(₹ in Lakh)

| Online / Offline Sales (Financial Year) |         |          |          |
|-----------------------------------------|---------|----------|----------|
| Description                             | 2020-21 | 2021-22  | 2022-23  |
| Online Sales                            | 684.19  | 2,003.37 | 2833.41  |
| Offline Sales                           | -       | -        | 381.72   |
| Corporate sales                         | 276.48  | 788.53   | 1237.85  |
| Total Sales                             | 960.67  | 2,791.90 | 4,452.98 |

Note : The Company is into an online first company with Online sales contributing 90%+ of its sales. The current operations of the Company are in Indian market only.

(₹ in Lakh)

| <b>Product wise Sales (Financial Year)</b>    |                  |                  |                  |
|-----------------------------------------------|------------------|------------------|------------------|
| <b>Product Description</b>                    | <b>2020-2021</b> | <b>2021-2022</b> | <b>2022-2023</b> |
| Laptops/ Chromebooks                          | 296.74           | 838.60           | 2,309.75         |
| Desktops/ Chromeboxes/ Monitors               | 653.74           | 1,873.14         | 1,996.25         |
| Accessories (Keyboard, Mouse, WiFi, Speakers) | 10.19            | 80.16            | 146.98           |
| <b>Total</b>                                  | <b>960.67</b>    | <b>2791.90</b>   | <b>4452.98</b>   |

**8. Weighted average cost of acquisition** (Price per share disclosed, shall be adjusted for corporate actions e.g. split, bonus etc. done by the Issuer Company.)

- a) The price per share of our Company based on the primary/ new issue of equity shares. Price per share of Issuer Company based on primary / new issue of shares (equity/convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of filing of the RHP, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

| <b>Date of Allotment</b> | <b>No. of Equity Shares Allotted</b> | <b>Face Value</b> | <b>Issue/Transaction Price</b> | <b>Nature of allotment/ transaction</b> | <b>Nature of consideration</b> | <b>Total Consideration</b> |
|--------------------------|--------------------------------------|-------------------|--------------------------------|-----------------------------------------|--------------------------------|----------------------------|
| 05-06-2023               | 22,056                               | 10                | 2,267                          | Preferential issue                      | Cash                           | 5,00,00,952                |
| 06-07-2023               | 22,056                               | 5                 | 0                              | Split of Shares                         | Split of Shares                |                            |
| 17-07-2023               | 1323360                              | 30                | 0                              | Bonus Issue                             | Bonus Issue                    |                            |
| WACA                     | 13,67,472                            |                   | 36.56                          |                                         |                                | 5,00,00,952                |

- b) The price per share of our Company based on the secondary sale/ acquisition of equity shares. Price per share of Issuer Company based on secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the RHP, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

| <b>Date of Allotment</b> | <b>No. of Equity Shares Allotted</b> | <b>Face Value</b> | <b>Issue/Transaction Price</b> | <b>Nature of allotment/ transaction</b> | <b>Nature of consideration</b> | <b>Total Consideration</b> |
|--------------------------|--------------------------------------|-------------------|--------------------------------|-----------------------------------------|--------------------------------|----------------------------|
| 10-02-2023               | 54000                                | 10                | 71.39                          | Transfer of Shares                      | Bank                           | 38,55,060                  |
| 06-07-2023               | 54,000                               | 5                 | 0                              | Split                                   | Split                          | 0                          |
| 17-07-2023               | 32,40,000                            | 0                 | 0                              | Bonus                                   | Bonus                          | 0                          |
| WACA                     | 33,48,000                            |                   | 1.15                           |                                         |                                | 38,55,060                  |

- c) In case there are no such transactions to report under (a) and (b), then the information shall be disclosed for price per share of the Issuer Company based on last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company, are a party to the transaction), not older than 3 years prior to the date of filing of the RHP, irrespective of the size of transactions.

Not Applicable

#### Primary Transaction

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this Red Herring Prospectus:

| Date of Allotment | No of Equity Shares allotted | Face Value per Equity share (₹) | Issue price per Equity share (₹) | Nature of allotment | Nature of consideration | Total Consideration (in ₹ lakhs) |
|-------------------|------------------------------|---------------------------------|----------------------------------|---------------------|-------------------------|----------------------------------|
| June 5, 2023      | 22,056                       | 10                              | 2267                             | Preferential Issue  | Bank                    | 5,00,00,952                      |
| <b>WACA</b>       | 36.56                        |                                 |                                  |                     |                         |                                  |

#### Secondary Transactions:

Except as disclosed below, there have been no secondary transactions in the last three years preceding the date of this Red Herring Prospectus:

| Date of Transfer | Name of Transferee | Name of Transferor | No of Equity Shares transferred | Face Value per Equity share (₹) | Price per Equity share (₹) | Nature of Transaction | Nature of consideration | Total Consideration (in ₹ lakhs) |
|------------------|--------------------|--------------------|---------------------------------|---------------------------------|----------------------------|-----------------------|-------------------------|----------------------------------|
| 10/02/2023       | Vishesh Handa      | Prathibha          | 54000                           | 10                              | 71.39                      | Transfer of Shares    | Bank                    | 38,55,000                        |

- d) Weighted average cost of acquisition, floor price and cap price:

| Types of Transaction                                                                        | Weighted average cost of acquisition (₹ per Equity Shares) | Floor price* (i.e ₹ 44) | Cap price*(i.e ₹ 47) |
|---------------------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------|----------------------|
| Weighted average cost of acquisition of primary/ new issue as per paragraph 8(a) above.     | 36.56                                                      | 1.20 times              | 1.29 times           |
| Weighted average cost of acquisition of secondary/ acquisition as per paragraph 8(b) above. | 1.15                                                       | 38.26 times             | 40.87 times          |

9. Detailed explanation for Offer Price/Cap Price being 1.29/40.87 times of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (as set out above) along with our Company's key performance indicators and financial ratios for Fiscals 2023, 2022 and 2021:

- Proprietary and scalable refurbishment process.
- Partnership with industry leaders.
- Highly Qualified team with robust expertise.



## Operational Data Matrices

| <b>Diwali Month Sales</b>                          |                       |                       |                       |
|----------------------------------------------------|-----------------------|-----------------------|-----------------------|
| <b>Description</b>                                 | <b>Year 2020-2021</b> | <b>Year 2021-2022</b> | <b>Year 2022-2023</b> |
| Units sold (Nos)                                   | 1499                  | 3829                  | 5644                  |
| YOY Growth %                                       | -                     | 155%                  | 47.40%                |
| Revenue ( <b>₹ in Lakh</b> )                       | 353.38                | 760.75                | 1,023.91              |
| YOY Growth                                         | -                     | 115%                  | 35%                   |
| <b>Units Sold/ Processed (yoy- Financial Year)</b> |                       |                       |                       |
| <b>Description</b>                                 | <b>Year 2020</b>      | <b>Year 2021</b>      | <b>Year 2022</b>      |
| Units Sold                                         | 8,928                 | 24,959                | 42,043                |
| YOY Growth %                                       | -                     | 180%                  | 69%                   |

(₹ in Lakh)

| <b>Online / Offline Sales (Financial Year)</b> |                |                |                |
|------------------------------------------------|----------------|----------------|----------------|
| <b>Description</b>                             | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> |
| Online Sales                                   | 684.19         | 2,003.37       | 2833.41        |
| Offline Sales                                  | -              | -              | 381.72         |
| Corporate sales                                | 276.48         | 788.53         | 1237.85        |
| Total Sales                                    | 960.67         | 2,791.90       | 4,452.98       |

Note : The Company is into an online first company with Online sales contributing 90%+ of its sales. The current operations of the Company are in Indian market only.

(₹ in Lakh)

| <b>Product wise Sales (Financial Year)</b>    |                  |                  |                  |
|-----------------------------------------------|------------------|------------------|------------------|
| <b>Product Description</b>                    | <b>2020-2021</b> | <b>2021-2022</b> | <b>2022-2023</b> |
| Laptops/ Chromebooks                          | 296.74           | 838.60           | 2,309.75         |
| Desktops/ Chromeboxes/ Monitors               | 653.74           | 1,873.14         | 1,996.25         |
| Accessories (Keyboard, Mouse, WiFi, Speakers) | 10.19            | 80.16            | 146.98           |
| <b>Total</b>                                  | <b>960.67</b>    | <b>2791.90</b>   | <b>4452.98</b>   |

## Financial Ratios

| <b>Ratios of NewJaisa Technologies Limited</b> | <b>March-23</b> | <b>March -22</b> | <b>March -21</b> |
|------------------------------------------------|-----------------|------------------|------------------|
| <b>Company Ratio</b>                           |                 |                  |                  |
| Current Ratio                                  | 1.70            | 1.74             | 1.19             |
| Debt-Equity Ratio                              | -               | -                | -                |
| Debt- Service Coverage Ratio                   | 15.18           | 4.59             | 8.78             |
| Return on Equity Ratio (%)                     | 72.63           | 70.79            | 98.66            |
| Net Capital Turnover Ratio                     | 4.79            | 10.97            | 12.92            |
| Net Profit Ratio (%)                           | 15              | 6                | 8                |
| Return on Capital Employed (%)                 | 72.63           | 70.79            | 98.66            |

### 10. Explanation for Offer Price/Cap Price being 1.29/40.87 times of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Offer.

- High demand
- Competitive Market Conditions
- Competitive Positioning

**11. The Offer price is [●] times of the face value of the Equity Shares:**

The Offer Price of has been determined by our Company in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares through the Book Building Process.

The price band/floor price/issue price has been determined by the issuer in consultation with the lead manager(s), on the basis of book-building.

## STATEMENT OF POSSIBLE TAX BENEFITS

Date: July, 31st 2023

To  
The Board of Directors  
**Newjaisa Technologies Limited**  
**(Formerly Known as Newjaisa technologies Private Limited)**  
207/B2, 2nd Cross Road, J.C.,  
Industrial Estate Bikasipura Main Road,  
Off Kanakpura Road, Near Delhi Public School,  
Bangalore – 560078

Dear Sir/ Madam,

**Ref: Proposed initial public offering of equity shares of face value of ₹ 5 each (the “Equity Shares”) of Newjaisa Technologies Limited (the “Company”/ “the “Issuer”) comprising a fresh issue of the Equity Shares by the Company (the “Fresh Issue” / “Offer”)**

Sub: Statement of Possible Tax Benefits (‘The Statement’) available to **Newjaisa Technologies Limited (“The Company”)** and its shareholders under the Direct and Indirect Tax Laws in India

We hereby report that the enclosed annexure prepared by the management of **Newjaisa Technologies Limited (Formerly Known as Newjaisa technologies Private Limited)**, states the Possible tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “GST Act”) presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only Possible tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that, this Statement is only intended to provide general information to the investors and is 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 of Equity shares (“the Issue”) by the Company.

We do not express any opinion or provide any assurance as to whether:

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion

in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s. Abhilashi & Co.**

Chartered Accountants

Firm Registration No.: 016025N

Sd/-

**CA Kuljeet Singh**

(Partner)

Membership No.: 530259

**UDIN:** 23530259BGXDDD9407

Place: Jalandhar

## **STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES (“TAX LAWS”)**

Outlined below are the Possible Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

### **UNDER THE TAX LAWS**

#### **A. POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY**

##### **DIRECT TAX LAWS**

###### **-Section 115BAA/115BAB of the Act**

Company has opted for section 115BAA for financial year 2022-2023 and availed concessional rate of income tax at the rate of 17.16%. Further note that Company has opted Concessional rate of tax during the financial year ending 31st March, 2022 and paid taxes at the rate of 25.168%.

###### **- Deduction under Section 80JJAA of the Act**

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Income-tax Act, 1961, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

###### **- Section 80M of the Act**

Under Section 80M of the Income-tax Act, 1961, in respect of dividend received by the Company from any other domestic company or a foreign company or a business trust and included in the Company's total income, a deduction is available to the Company of an amount equal to so much of the dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by the Company on or before one month prior to due date of furnishing the income-tax return for the relevant year.

##### **INDIRECT TAX LAWS**

#### **B. POSSIBLE TAX BENEFITS AVAILABLE TO SHAREHOLDERS**

There are no Possible tax benefits available to the Shareholders under the Tax Laws.

#### **NOTES:**

1. The above is as per the current Tax Laws prevalent as on the date of issuance of this certificate.
2. The above Statement of possible tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.
4. The possible tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.

5. The tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, is 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 issue.
6. The stated benefits will be available only to the sole/ first named holder in case the equity shares are held by joint holders.
7. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
8. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
9. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
10. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. 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.

**For Newjaisa Technologies Limited**

Sd/-

**Vishesh Handa**  
**Managing Director**  
**Date: July 31, 2023**  
**Place: Bangalore**

## SECTION VIII: ABOUT THE ISSUER

### OUR INDUSTRY

Unless otherwise indicated, the industry and market data contained in this Red Herring Prospectus is derived from the “Future Markets Insights 2023”, which has been prepared exclusively for the purpose of understanding the industry in connection with the Issue and commissioned and paid for by the BRLM, pursuant to a technical proposal dated July 05, 2023. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Future Markets Insights 2023 Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. Further the information in this section has been extracted from the various websites, reports viz. International Monetary Fund January 2023, India Economic Survey 2022 – 2023 and publicly available documents from various sources.

#### Global Economic Overview

##### Inflation Peaking amid Low Growth

- Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent. The rise in central bank rates to fight inflation and Russia’s war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.
- The balance of risks remains tilted to the downside, but adverse risks have moderated since the October 2022 WEO. On the upside, a stronger boost from pent-up demand in numerous economies or a faster fall in inflation are plausible. On the downside, severe health outcomes in China could hold back the recovery, Russia’s war in Ukraine could escalate, and tighter global financing conditions could worsen debt distress. Financial markets could also suddenly reprice in response to adverse inflation news, while further geopolitical fragmentation could hamper economic progress.
- In most economies, amid the cost-of-living crisis, the priority remains achieving sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macroprudential tools and strengthen debt restructuring frameworks. Accelerating COVID-19 vaccinations in China would safeguard the recovery, with positive cross-border spill overs. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based fiscal relief measures should be withdrawn. Stronger multilateral cooperation is essential to preserve the gains from the rules-based multilateral system and to mitigate climate change by limiting emissions and raising green investment.

##### Forces shaping the outlook

The global fight against inflation, Russia’s war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023.

Despite these headwinds, real GDP was surprisingly strong in the third quarter of 2022 in numerous economies, including the United States, the euro area, and major emerging market and developing economies. The sources of these surprises were in many cases domestic: stronger-than-expected private consumption and investment amid tight labor markets and greater-than-anticipated fiscal support. Households spent more to satisfy pent-up demand, particularly on services, partly by drawing down their stock of savings as economies reopened. Business investment rose to meet demand. On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed for a rebound in previously constrained sectors, such as motor vehicles. Energy markets have adjusted faster than expected to the shock from Russia’s invasion of Ukraine.

In the fourth quarter of 2022, however, this uptick is estimated to have faded in most—though not all—major economies. US growth remains stronger than expected, with consumers continuing to spend from their stock of savings (the personal saving rate is at its lowest in more than 60 years, except for July 2005), unemployment near

historic lows, and plentiful job opportunities. But elsewhere, high-frequency activity indicators (such as business and consumer sentiment, purchasing manager surveys, and mobility indicators) generally point to a slowdown. COVID-19 deepens China's slowdown - Economic activity in China slowed in the fourth quarter amid multiple large COVID-19 outbreaks in Beijing and other densely populated localities. Renewed lockdowns accompanied the outbreaks until the relaxation of COVID-19 restrictions in November and December, which paved the way for a full reopening. Real estate investment continued to contract, and developer restructuring is proceeding slowly, amid the lingering property market crisis. Developers have yet to deliver on a large backlog of presold housing, and downward pressure is building on house prices (so far limited by home price floors). The authorities have responded with additional monetary and fiscal policy easing, new vaccination targets for the elderly, and steps to support the completion of unfinished real estate projects. However, consumer and business sentiment remained subdued in late 2022. China's slowdown has reduced global trade growth and international commodity prices.

Monetary policy starts to bite - Signs are apparent that monetary policy tightening is starting to cool demand and inflation, but the full impact is unlikely to be realized before 2024. Global headline inflation appears to have peaked in the third quarter of 2022 (Figure 1). Prices of fuel and nonfuel commodities have declined, lowering headline inflation, notably in the United States, the euro area, and Latin America. But underlying (core) inflation has not yet peaked in most economies and remains well above pre-pandemic levels. It has persisted amid second-round effects from earlier cost shocks and tight labor markets with robust wage growth as consumer demand has remained resilient. Medium-term inflation expectations generally remain anchored, but some gauges are up. These developments have caused central banks to raise rates faster than expected, especially in the United States and the euro area, and to signal that rates will stay elevated for longer. Core inflation is declining in some economies that have completed their tightening cycle—such as Brazil. Financial markets are displaying high sensitivity to inflation news, with equity markets rising following recent releases of lower inflation data in anticipation of interest rate cuts (Box 1), despite central banks' communicating their resolve to tighten policy further. With the peak in US headline inflation and an acceleration in rate hikes by several non-US central banks, the dollar has weakened since September but remains significantly stronger than a year ago.

Winter comes to Europe - European economic growth in 2022 was more resilient than expected in the face of the large negative terms-of-trade shock from the war in Ukraine. This resilience—which is visible in consumption and investment data for the third quarter—partly reflects government support of about 1.2 percent of European Union GDP (net budgetary cost) to households and firms hit by the energy crisis, as well as dynamism from economies reopening. Gas prices have declined by more than expected amid higher non-Russian pipeline and liquefied natural gas flows, compression of demand for gas, and a warmer-than-usual winter. However, the boost from reopening appears to be fading. High-frequency indicators for the fourth quarter suggest that the manufacturing and services sectors are contracting. Consumer confidence and business sentiment have worsened. With inflation at about 10 percent or above in several euro area countries and the United Kingdom, household budgets remain stretched. The accelerated pace of rate increases by the Bank of England and the European Central Bank is tightening financial conditions and cooling demand in the housing sector and beyond.

## **The Forecast**

### Growth Bottoming Out

Global growth, estimated at 3.4 percent in 2022, is projected to fall to 2.9 percent in 2023 before rising to 3.1 percent in 2024 (Table 1). Compared with the October forecast, the estimate for 2022 and the forecast for 2023 are both higher by about 0.2 percentage point, reflecting positive surprises and greater-than-expected resilience in numerous economies. Negative growth in global GDP or global GDP per capita—which often happens when there is a global recession—is not expected. Nevertheless, global growth projected for 2023 and 2024 is below the historical (2000–19) annual average of 3.8 percent. The forecast of low growth in 2023 reflects the rise in central bank rates to fight inflation—especially in advanced economies—as well as the war in Ukraine. The decline in growth in 2023 from 2022 is driven by advanced economies; in emerging market and developing economies, growth is estimated to have bottomed out in 2022. Growth is expected to pick up in China with the full reopening in 2023. The expected pickup in 2024 in both groups of economies reflects gradual recovery from the effects of the war in Ukraine and subsiding inflation. Following the path of global demand, world trade growth is expected to decline in 2023 to 2.4 percent, despite an easing of supply bottlenecks, before rising to 3.4 percent in 2024. These forecasts are based on a number of assumptions, including on fuel and nonfuel commodity prices, which have generally been revised down since October, and on interest rates, which have been revised up. In 2023, oil prices are projected to fall by about 16 percent, while nonfuel commodity prices are expected to fall by, on average,



6.3 percent. Global interest rate assumptions are revised up, reflecting intensified actual and signalled policy tightening by major central banks since October.

### Inflation Peaking

About 84 percent of countries are expected to have lower headline (consumer price index) inflation in 2023 than in 2022. Global inflation is set to fall from 8.8 percent in 2022 (annual average) to 6.6 percent in 2023 and 4.3 percent in 2024—above pre-pandemic (2017–19) levels of about 3.5 percent. The projected disinflation partly reflects declining international fuel and nonfuel commodity prices due to weaker global demand. It also reflects the cooling effects of monetary policy tightening on underlying (core) inflation, which globally is expected to decline from 6.9 percent in the fourth quarter of 2022 (year over year) to 4.5 percent by the fourth quarter of 2023. Still, disinflation will take time: by 2024, projected annual average headline and core inflation will, respectively, still be above pre-pandemic levels in 82 percent and 86 percent of economies.

In advanced economies, annual average inflation is projected to decline from 7.3 percent in 2022 to 4.6 percent in 2023 and 2.6 percent in 2024—above target in several cases. In emerging market and developing economies, projected annual inflation declines from 9.9 percent in 2022 to 8.1 percent in 2023 and 5.5 percent in 2024, above the 4.9 percent pre-pandemic (2017–19) average. In low-income developing countries, inflation is projected to moderate from 14.2 percent in 2022 to 8.6 percent in 2024—still high, but close to the pre-pandemic average.

### **Policy Priorities**

Securing global disinflation: For most economies, the priority remains achieving a sustained reduction in inflation toward target levels. Raising real policy rates and keeping them above their neutral levels until underlying inflation is clearly declining would ward off risks of inflation expectations deanchoring. Clear central bank communication and appropriate reactions to shifts in the data will help keep inflation expectations anchored and lessen wage and price pressures. Central banks' balance sheets will need to be unwound carefully, amid market liquidity risks. Gradual and steady fiscal tightening would contribute to cooling demand and limit the burden on monetary policy in the fight against inflation. In countries where output remains below potential and inflation is in check, maintaining monetary and fiscal accommodation may be appropriate.

Containing the reemergence of COVID-19: Addressing the ongoing pandemic requires coordinated efforts to boost vaccination and medicine access in countries where coverage remains low as well as the deployment of pandemic preparedness measures—including a global push toward sequencing and sharing data. In China, focusing vaccination efforts on vulnerable groups and maintaining sufficiently high coverage of boosters and antiviral medicines would minimize the risks of severe health outcomes and safeguard the recovery, with favorable cross-border spillovers.

Ensuring financial stability: Depending on country circumstances, macroprudential tools can be used to tackle pockets of elevated financial sector vulnerabilities. Monitoring housing sector developments and conducting stress tests in economies where house prices have increased significantly over the past few years are warranted. In China, central government action to resolve the property crisis and reduce the risk of spillovers to financial stability and growth is a priority, including by strengthening temporary mechanisms to protect presale homebuyers from the risk of non-delivery and by restructuring troubled developers. Globally, financial sector regulations introduced after the global financial crisis have contributed to the resilience of banking sectors throughout the pandemic, but there is a need to address data and supervisory gaps in the less-regulated nonbank financial sector, where risks may have built up inconspicuously. Recent turmoil in the crypto space also highlights the urgent need to introduce common standards and reinforce oversight of crypto assets.

Restoring debt sustainability: Lower growth and higher borrowing costs have raised public debt ratios in several economies. Where debt is unsustainable, implementing restructuring or reprofiling early on as part of a package of reforms (including fiscal consolidation and growth-enhancing supply-side reforms) can avert the need for more disruptive adjustment later. Supporting the vulnerable: The surge in global energy and food prices triggered a cost-of-living crisis. Governments acted swiftly with support to households and firms, which helped cushion effects on growth and at times limited the pass-through from energy prices to headline inflation through price controls. The temporary and broad-based measures are becoming increasingly costly and should be withdrawn and replaced by targeted approaches. Preserving the energy price signal will encourage a reduction in energy consumption and limit the risks of shortages. Targeting can be achieved through social safety nets such as cash transfers to eligible households based on income or demographics or by transfers through electricity companies

based on past energy consumption. Subsidies should be temporary and offset by revenue-generating measures, including one-time solidarity taxes on high-income households and companies, where appropriate.

**Reinforcing supply:** Supply-side policies could address the key structural factors impeding growth—including market power, rent seeking, rigid regulation and planning, and inefficient education—and could help build resilience, reduce bottlenecks, and alleviate price pressures. A concerted push for investment along the supply chain of green energy technologies would bolster energy security and help advance progress on the green transition.

**Strengthening multilateral cooperation**—Urgent action is needed to limit the risks stemming from geopolitical fragmentation and to ensure cooperation on fundamental areas of common interest:

- **Restraining the pandemic:** Global coordination is needed to resolve bottlenecks in the global distribution of vaccines and treatments. Public support for the development of new vaccine technologies and the design of systematic responses to future epidemics also remains essential.
- **Addressing debt distress:** Progress has been made for countries that requested debt treatment under the Group of Twenty's Common Framework initiative, and more will be needed to strengthen it. It is also necessary to agree on mechanisms to resolve debt in a broader set of economies, including middle-income countries that are not eligible under the Common Framework. Non-Paris Club and private creditors have a crucial role to play in ensuring coordinated, effective, and timely debt resolution processes.
- **Strengthening global trade:** Strengthening the global trading system would address risks associated with trade fragmentation. This can be achieved by rolling back restrictions on food exports and other essential items such as medicine, upgrading World Trade Organization (WTO) rules in critical areas such as agricultural and industrial subsidies, concluding and implementing new WTO-based agreements, and fully restoring the WTO dispute settlement system.
- **Using the global financial safety net:** With the cascading of shocks to the global economy, using the global financial safety net to its fullest extent is appropriate, including by proactively utilizing the IMF's precautionary financial arrangements and channeling aid from the international community to low-income countries facing shocks.
- **Speeding the green transition:** To meet governments' climate change goals, it is necessary to swiftly implement credible mitigation policies. International coordination on carbon pricing or equivalent policies would facilitate faster decarbonization. Global cooperation is needed to build resilience to climate shocks, including through aid to vulnerable countries.

(Source: International Monetary Fund | January 2023)

## Indian Economic Overview



In general, global economic shocks in the past were severe but spaced out in time. This changed in the third decade of this millennium. At least three shocks have hit the global economy since 2020. It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Then, the central banks across economies led by the Federal Reserve responded with synchronised policy rate hikes to curb inflation. The rate hike by the US Fed drove capital into the US markets causing the US Dollar to appreciate against most currencies. This led to the widening of the Current Account Deficits (CAD) and increased inflationary pressures in net importing economies. The rate hike and

persistent inflation also led to a lowering of the global growth forecasts for 2022 and 2023 by the IMF in its October 2022 update of the World Economic Outlook. The frailties of the Chinese economy further contributed to weakening the growth forecasts. Slowing global growth apart from monetary tightening may also lead to a financial contagion emanating from the advanced economies where the debt of the non-financial sector has risen the most since the global financial crisis. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated.

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

Despite these, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government that brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others. The world's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year.

The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022. On current trend, it appears that the full year's capital expenditure budget will be met. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of the Corporates and the consequent increase in credit financing it has been able to generate. A much-improved financial health of well-capitalised public sector banks has positioned them better to increase the credit supply. Consequently, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6 per cent, on average during Jan-Nov 2022, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. The increase in the overall bank credit has also been influenced by the shift in borrower's funding choices from volatile bond markets, where yields have increased, and external commercial borrowings, where interest and hedging costs have increased, towards banks. If inflation declines in FY24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24.

India's economic growth in FY23 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Still, private capex soon needs to take up the leadership role to put job creation on a fast track. Recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) is easing their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP)<sup>1</sup>. The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

Global growth has been projected to decline in 2023 and is expected to remain generally subdued in the following years as well. The slowing demand will likely push down global commodity prices and improve India's CAD in FY24. However, a downside risk to the Current Account Balance stems from a swift recovery driven mainly by domestic demand and, to a lesser extent, by exports. The CAD needs to be closely monitored as the growth

momentum of the current year spills over into the next. Growth is expected to be brisk in FY24 as a vigorous credit disbursal, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM Gati Shakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.

### **SUMMARY OF THE ECONOMIC SURVEY 2022-23**

- Recovering from pandemic-induced contraction, the Russian-Ukraine conflict and inflation, the Indian economy is staging a broad-based recovery across sectors, positioning itself to ascend to the pre-pandemic growth path in FY23.
- India's GDP growth is expected to remain robust in FY24. GDP forecast for FY24 to be in the range of 6-6.8%.
- Private consumption in H1 is the highest since FY15 and this has led to a boost to production activity resulting in enhanced capacity utilisation across sectors.
- The Capital Expenditure of the Central Government and crowding in the private Capex led by the strengthening of the balance sheets of the Corporates is one of the growth drivers of the Indian economy in the current year.
- The credit growth to the MSME sector was over 30.6% on average during Jan-Nov 2022.
- Retail inflation is back within RBI's target range in November 2022.
- Indian Rupee performed well compared to other Emerging Market Economies in Apr-Dec 2022.
- Direct Tax collections for the period April-November 2022 remain buoyant.
- Enhanced Employment generation seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund.
- Economic growth to be boosted by the expansion of public digital platforms and measures to boost manufacturing output.

### **INDIA'S MEDIUM-TERM GROWTH OUTLOOK**

- Indian economy underwent wide-ranging structural and governance reforms that strengthened the economy's fundamentals by enhancing its overall efficiency during 2014-2022.
- With an underlying emphasis on improving the ease of living and doing business, the reforms after 2014 were based on the broad principles of creating public goods, adopting trust-based governance, co-partnering with the private sector for development, and improving agricultural productivity.
- The period of 2014-2022 also witnessed balance sheet stress caused by the credit boom in the previous years and one-off global shocks, that adversely impacted the key macroeconomic variables such as credit growth, capital formation, and hence economic growth during this period.
- This situation is analogous to the period 1998-2002 when transformative reforms undertaken by the government had lagged growth returns due to temporary shocks in the economy. Once these shocks faded, the structural reforms paid growth dividends from 2003.
- Similarly, the Indian economy is well placed to grow faster in the coming decade once the global shocks of the pandemic and the spike in commodity prices in 2022 fade away.
- With improved and healthier balance sheets of the banking, non-banking and corporate sectors, a fresh credit cycle has already begun, evident from the double-digit growth in bank credit over the past months.

- The Indian economy has also started benefiting from the efficiency gains resulting from greater formalisation, higher financial inclusion, and economic opportunities created by digital technology-based economic reforms.
- India's growth outlook seems better than in the pre-pandemic years and the Indian economy is prepared to grow at its potential in the medium term.

## **DIGITAL INFRASTRUCTURE**

### India's Digital Public Infrastructure

#### Unified Payment Interface (UPI)

- UPI-based transactions grew in value (121%) and volume (115%) terms, between 2019-22, paving the way for its international adoption.

#### Telephone and Radio - For Digital Empowerment

- Total telephone subscriber base in India stands at 117.8 crores (as of Sept 22), with 44.3% of subscribers in rural India.
- More than 98% of the total telephone subscribers are connected wirelessly.
- The overall teledensity in India stood at 84.8% in March 2022.
- 200% increase in rural internet subscriptions between 2015 and 2021.
- Prasar Bharati (India's autonomous public service broadcaster) - broadcasts in 23 languages, and 179 dialects from 479 stations. Reaches 92% of the area and 99.1% of the total population.

#### Digital Public Goods

- Achieved low-cost accessibility since the launch of Aadhaar in 2009.
- Under the government schemes, MyScheme, TrEDS, GEM, e-NAM, and UMANG have transformed the marketplace and have enabled citizens to access services across sectors
- Under Account Aggregator, the consent-based data-sharing framework is currently live across over 110 crore bank accounts.
- Open Credit Enablement Network aims towards democratising lending operations while allowing end-to-end digital loan applications.
- National AI portal has published 1520 articles, 262 videos, and 120 government initiatives and is being viewed as a tool for overcoming the language barrier e.g. 'Bhashini'.
- Legislations are being introduced for enhanced user privacy and creating an ecosystem for standard, open, and interoperable protocols underlining robust data governance.

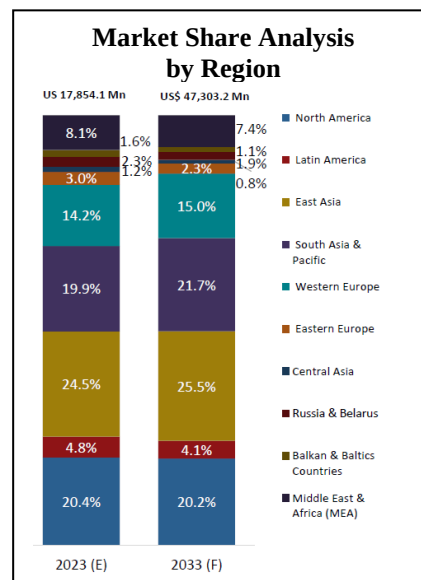
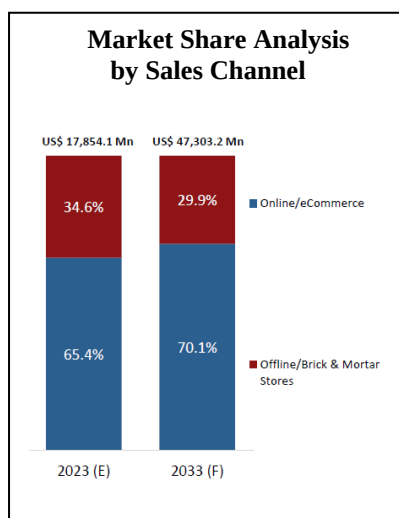
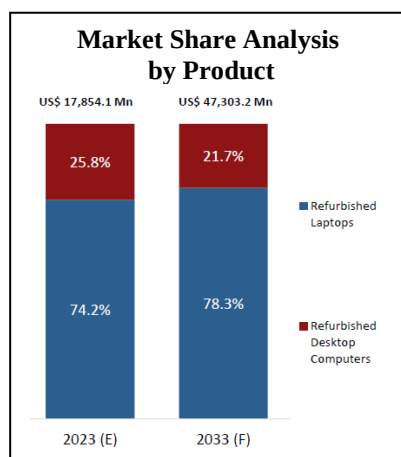
*(Source: India Economic Survey 2022 - 2023)*

## **Refurbishment Industry**

As consumers and businesses seek more affordable alternatives to new devices, the refurbish IT devices market has expanded to meet the demand. There has been a growing acceptance and trust in refurbished devices among consumers. As vendors improve refurbishment processes, enhance quality assurance, and offer warranty coverage, buyers are becoming more confident in the reliability and performance of refurbished computers and laptops.

## Global Market Outlook

Refurbished laptops segment is expected to dominate the global refurbished computers and laptops market and will contribute the largest share of 74.2% in 2023. The segment will create \$ opportunity of US\$ 23,782.7 Mn during the forecast period. The refurbished laptops segment would be the most attractive segment during the forecast period. The refurbished desktop computers segment is expected to grow at a CAGR of 8.4% during forecast period.

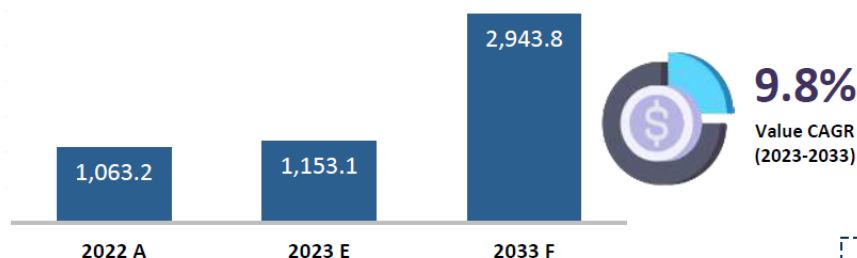


The online/eCommerce segment is expected to dominate the global refurbished computers and laptops market and will contribute the largest share of **65.4%** in 2023. The segment will create \$ opportunity of **US\$ 21,495.6 Mn** during the forecast period. The online/eCommerce segment would be the most attractive segment during the forecast period. **Offline/Brick & mortar stores** segment is expected to grow at a steady CAGR of **8.6%** during forecast period.

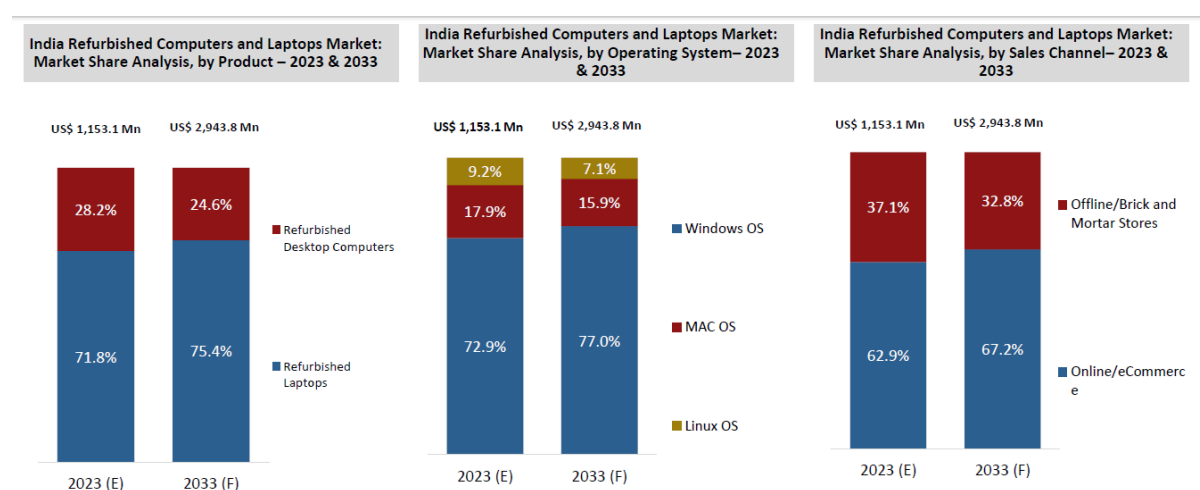
## Indian Market Outlook

The India refurbished computers and laptops market is expected to reach US\$**1,153.1** Mn in 2023, and is projected to reach US\$ **2,943.8** Mn by the end of 2033. The market is estimated to grow at a CAGR of **9.8%** during the forecast period. Among the product, refurbished laptops segment is expected to dominate the India market with a **71.8%** share in terms of revenue in 2023. By sales channel, the online/eCommerce segment is projected to exhibit relatively high growth in the market with a CAGR of **10.6%** over the forecast period.

### India Refurbished Computer and laptop Market (US\$ Mn)



## Trends by Product, Operating system and sales channel



The refurbished laptops segment is expected to dominate the India refurbished computers and laptops market and will contribute the largest share of 71.8% in 2023. The Windows OS segment is expected to grow at a highest CAGR of 10.4% during the forecast period. The online/eCommerce segment is expected to dominate the refurbished computers and laptops market and will contribute the largest share of 62.9% in 2023.

### Trends

#### Demand side

- Quality Product at affordable Prices:** Refurbished goods are considerably less expensive than new ones, making them a more reasonable choice for clients who are concerned about costs. The quality of refurbished laptops and computers has substantially increased due to advancements in the refurbishing process and the use of certified refurbished items, making them a more desirable option for customers. The growth of SMEs in India is also driving the demand for refurbished computers and laptops as these enterprises look for cost-effective solutions to meet their computing needs.
- Flexibility and scalability:** Refurbished devices provide businesses with flexibility and scalability in terms of their technology infrastructure. They can easily expand their computer fleet by adding refurbished devices as needed, without incurring the full cost of purchasing new devices. This flexibility allows businesses to adapt to changing demands and scale their operations more efficiently.
- Environmental Impact Consciousness:** Refurbished devices are in higher demand as a result of increased environmental consciousness because they lessen environmental effect and electrical waste.

#### Supply side

- Refurbishment Process Improvements:** Vendors invest in research and development to enhance their refurbishment processes. This includes implementing advanced testing methodologies, using specialized tools and equipment, and developing efficient repair and refurbishment techniques. By continually improving their processes, vendors can ensure high-quality refurbished products for customers.

Focusing on providing high-quality refurbished products that are rigorously tested and certified helps build trust among customers and enhances the vendor's brand image.

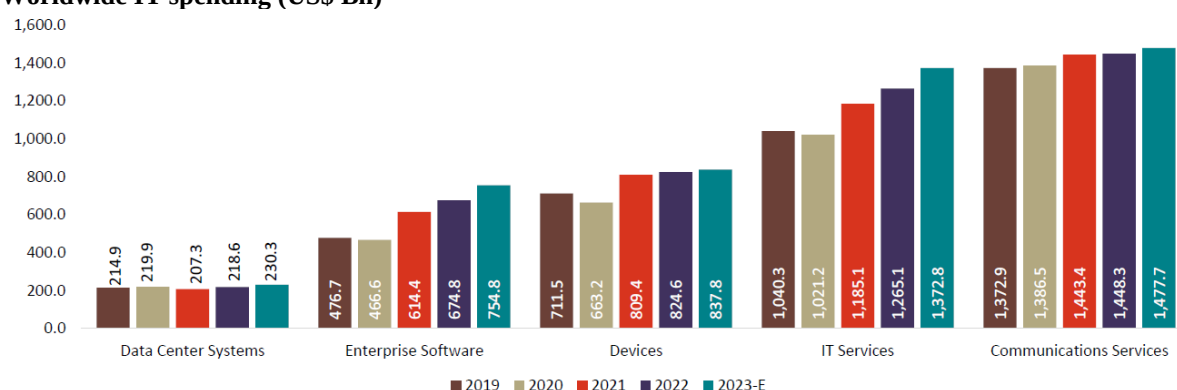
- Collaboration with OEM's:** Collaborating with original equipment manufacturers (OEMs) and e-commerce companies to offer refurbished products helps vendors reach a larger audience and increase their market presence.

## Macro-Economic Factors

### 1. Worldwide spending on IT products and services

Worldwide ICT spending is increasing significantly every year due to the rising adoption of technologically advanced products and solutions. The global ICT spending is witnessing rapid growth owing to the increasing investment by government of several countries for digitalizing IT infrastructure. India refurbished computers and laptops market is also witnessing significant growth due to an increase in ICT spending of various countries.

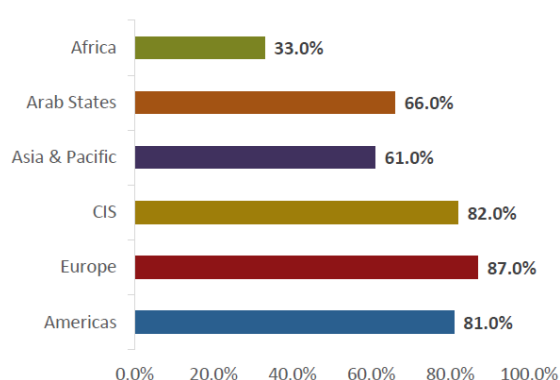
#### Worldwide IT spending (US\$ Bn)



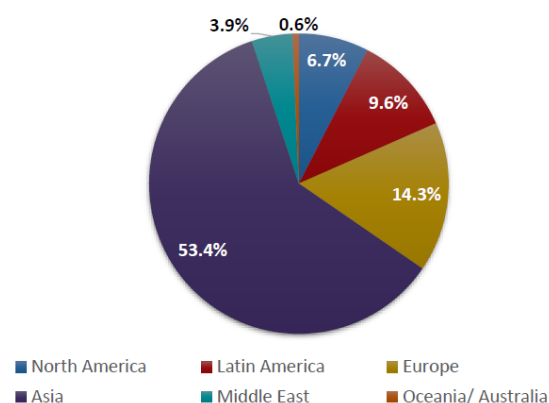
### 2. Growth in internet penetration

Internet world penetration rate shows scope of refurbished computers and laptops for various end-users. Global internet user distribution shows the refurbished computers and laptops providers the area of focuses for distribution of product and availability of users of specific solutions. Several online services help users work with people worldwide, and with instant communication, it can even make producing new products and services faster. Internet connection allows many people to work from home or have a virtual office. Many businesses allow employees to work from home using their computers and Internet connection.

Internet World Penetration Rate (%) by Region, 2022



Global Internet User Distribution (%), 2022

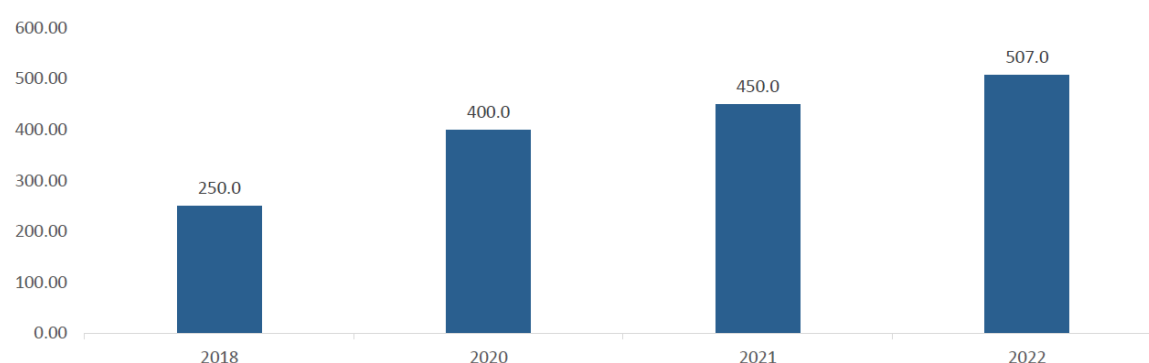


### 3. Growth of Gamer community

In recent years, India's fledgling gaming sector has had an astounding rise, swiftly making it one of the largest markets worldwide. Along with greater disposable incomes, new gaming genres, and a growth in tablet and smartphone users making gaming more widely available, India's large youth population is driving this expansion which will directly impact the growth of the refurbished computers and laptops market. In FY22, the number of gamers in India was 507 million, up from 450 million in FY21. Out of the 507 million, 120 million are paying gamers.



## Gamers in India (Mn)



## Forecast Factors

|   |                                                   |                                                                                                                                                                                                                                                                                                                                                                                                               |
|---|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Growing demand for affordable technology          | The demand for affordable computing devices continues to rise as individuals and businesses seek cost-effective alternatives. Economic factors, such as income levels, employment rates, and consumer sentiment, influence this demand. As the need for technology access expands, the refurbished market can benefit from offering affordable options.                                                       |
| 2 | Sustainable and eco-friendly Consumer Preferences | Increasing environmental awareness and concerns about electronic waste contribute to the growth of the refurbished market. Consumers are increasingly opting for refurbished devices as a more sustainable choice compared to purchasing new ones. The emphasis on environmental sustainability is likely to drive demand for refurbished computers and laptops.                                              |
| 3 | Technological Advancements and Product Cycles     | Technological advancements and the introduction of new models can impact the refurbished market. As new devices are released, there is a potential increase in the supply of used devices entering the market. This can provide opportunities for refurbishers to acquire and refurbish these devices, catering to price-sensitive consumers.                                                                 |
| 4 | Growth of Remote Work and Online Learning         | The COVID-19 pandemic accelerated the adoption of remote work and online learning, leading to increased demand for computing devices. Even post-pandemic, these trends are expected to continue, driving the need for affordable computers and laptops. The refurbished market can benefit from providing cost-effective options for individuals and organizations embracing remote work and online learning. |
| 5 | E-commerce and Online Sales Growth                | The growth of e-commerce and online sales channels provides significant opportunities for the refurbished market. Online platforms offer a convenient and accessible way for consumers to purchase refurbished computers and laptops. Continued expansion of ecommerce is likely to boost the visibility and availability of refurbished devices, driving market growth.                                      |
| 6 | Consumer Trust and Warranty Programs              | Building consumer trust is crucial for the refurbished market. Offering reliable warranties and after-sales support can enhance customer confidence in purchasing refurbished devices. Effective warranty programs that provide assurance and address potential concerns about device quality and longevity can positively impact market demand.                                                              |
| 7 | Competitive Landscape and Market Players          | The number and capabilities of refurbishers, along with their pricing strategies and customer service, influence the competitive dynamics of the market. Established players, new entrants, and partnerships can impact market share and overall market growth.                                                                                                                                               |
| 8 | Government Regulation and Policies                | Government regulations and policies related to electronics waste management, recycling, and sustainability can impact the refurbished market. Supportive policies or incentives that promote the reuse and refurbishment of electronics can drive market growth.                                                                                                                                              |

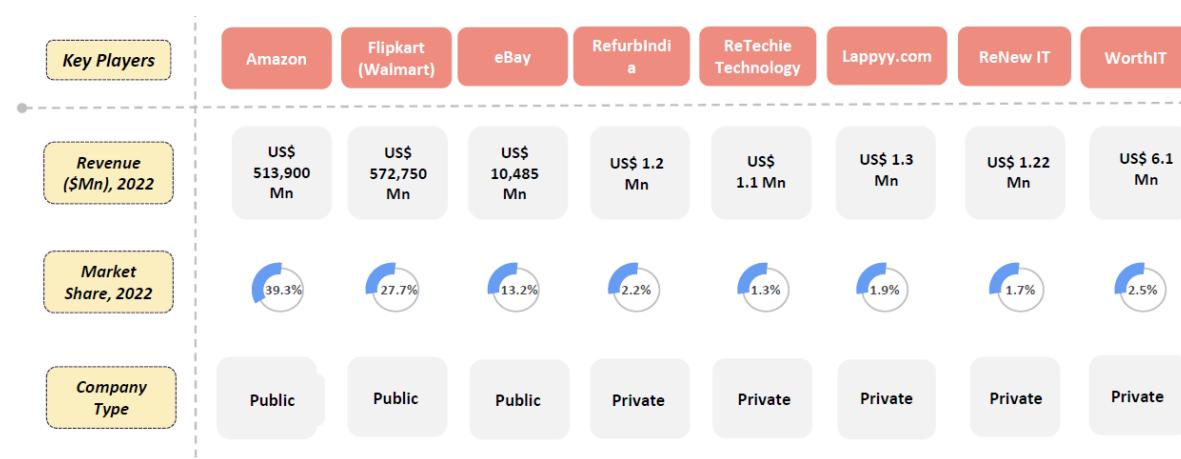
## Competition analysis

The supply side is dominated by existing IT equipment manufacturers and online retailers having dedicated value offering on refurbished products. Leading players in the India refurbished computer and laptops market are entering into collaborations and partnerships with existing refurbished players to better serve the regional customers. Most of the major players in the India refurbished computer and laptops market are coming with advanced and innovative solutions that meets the ever-changing demand in the refurbished computer and laptops market industry.

Major computer and laptop manufacturers offering refurbished products (few examples).

| # | Company   | Refurbishment offering                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Apple     | Apple has a dedicated section on its website for refurbished products, where customers can easily browse and purchase refurbished laptops and computers. The company also runs promotions and discounts to attract customers to its refurbished products. Apple partners with authorized resellers to expand its reach and sell refurbished devices through third-party channels. Apple always having first mover advantage is another element of Apple competitive advantage.           |
| 2 | Lenovo    | Lenovo has a rigorous refurbishment process that ensures that its refurbished products meet the same standards as its new products and also provides a warranty and technical support for its refurbished products. Lenovo also expanded its ARS (Asset Recovery Services) program, offering sustainable and secure disposal of end-of-life IT equipment, including refurbished computers and laptops.                                                                                   |
| 3 | HP        | In June 2021, HP launched its HP Refresh program, which offers certified refurbished HP products to customers. The program was intended to provide customers with affordable and sustainable options for purchasing technology                                                                                                                                                                                                                                                           |
| 4 | Microsoft | Microsoft have Authorized Refurbisher (MAR) program that allows qualified refurbishers to purchase genuine Microsoft software licenses at discounted prices. This program ensures that refurbished devices have legitimate software installed, reducing the risk of piracy and ensuring customer satisfaction. In August 2020, Microsoft launched the Microsoft Certified Refurbished program, allowing customers to buy discounted surface devices directly from the Microsoft website. |

Major retailers offering refurbished products (few examples).



## Conclusion

The refurbished market is set to see significant growth in India. The growth will be exclusively been driven by the change in buying habits of customers which itself has been sourced from impacts left on mindset by the global pandemic. People are now progressing more toward products that meet their requirements for functionalities and usefulness and are no longer excited about the brand-new appeal. If the refurbished product is serving the purpose at a much lesser cost, the demand for such refurbished smartphones is predicted to considerably rise in the coming year.

Organised players who have the expertise and are focused on developing rigorous testing and certification processes to ensure that refurbished products meet high-quality standards so that they can be sold as high-quality refurbished products will capture market share in this segment.

*(Source: Future Markets Insights\_ 2023)*

## OUR BUSINESS

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled “Risk Factors” and sections titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 29, 173, and 214 respectively, of this Red Herring Prospectus.

Unless otherwise indicated, the Restated Financial Statements included herein is based on our Restated Financial Statements for the Financial Years ended on March 31, 2023, 2022 and 2021 included in this Red Herring Prospectus. For further information, see section titled “Restated Financial Statements” beginning on page 173 of this Red Herring Prospectus.

## OVERVIEW

Started in 2020, We are a Technology driven Direct to consumer refurbished IT electronics company providing quality refurbished electronics at significant discount as compared to new products. Our goal is to provide best-in-class, refurbished electronics at affordable prices.

Our business model encompasses end to end reverse supply chain for IT assets. It involves procuring used IT assets (laptops, desktops and peripherals), refurbishing them to as close to new computer condition, and selling them directly to end use customers – businesses or retail. Currently the Company is engaged into direct sales of IT Products i.e Laptops/ Chromebooks, Desktops/Chromeboxes/ Monitors and Accessories (Keyboard, Mouse, WiFi, Speakers) which is its key revenue model.

Our key goal is to reduce e-waste, by life extension of IT assets and to deliver High quality computing devices to end customer in as good as new condition, with warranty at affordable prices.

We currently are focused and operate in Indian market and cater to our Pan India customer base via ecommerce and our online platforms and caters its products across industries. The four key customer segments for us include students, home users, SME and working professionals.

Our business is helping us to reduce growing e-waste problem on one hand and, at same time, help serve large underserved Indian population that currently has low personal computing ownership, by delivering quality product at very affordable prices with service guarantee via our warranties.

We are solving complex problem of refurbishing multiple brand and models with indeterminant issues in various components by building technology driven preoperatory refurbishing processes and infrastructure. This is helping us to deliver output at scale and importantly, quality and restoration of product to as good as new condition.

Our Online first approach is helping us cater and scale to Pan India customer base without high distribution and inventory overheads. It helps us to also service customer faster and economically.

We have served customer at more than 19,298 pin codes in India, with our centralized team and plant in Bangalore.

Our Company is promoted by Mr. Vishesh Handa and Mr. Mukunda Raghavendra with operations & technical background.

## OUR LOCATIONS

|                          |                                                                                                                                                        |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Registered Office</b> | 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School Bangalore, 560078, Karnataka, India. |
| <b>Facility</b>          | Land Survey No.38/1B, 39/1, 39/2 and 39/3 of Arekere Village, Begur Hobli, Bangalore South Taluk, Bangalore- 560 076.                                  |

*Note : Currently, the Company does not have any branches. The additional place of business as mentioned in the GST Certificate are for logistics purposes and are generally situated within the premises of third party e-commerce players*

## OUR PRODUCTS

Our Company is currently engaged in the business of purchase, refurbishment and sale of following IT products:

| Product                                       | Brands                                 |
|-----------------------------------------------|----------------------------------------|
| Laptops/ Chromebooks                          | Dell, HP, Lenovo, ASUS, Acer, MAC book |
| Desktops/ Chromeboxes/ Monitors               | Dell, HP, Lenovo, ASUS, Acer           |
| Accessories (Keyboard, Mouse, WiFi, Speakers) | Dell, HP, Lenovo, other brands         |

### Price ranges for each products:

| Product  | Price Range (Average Price)                 |
|----------|---------------------------------------------|
| Laptops  | Rs 13,999 to Rs 49,999 (Average: Rs 19,999) |
| Desktops | Rs 7,999 to Rs 18,999 (Average: Rs 12,999)  |
| Monitors | Rs 1,999 to Rs 5,999 (Average: Rs 3,499)    |

### State wise revenue split is as follows:

| State          | Percentage |
|----------------|------------|
| Tamil Nadu     | 26%        |
| Karnataka      | 19%        |
| West Bengal    | 14%        |
| Maharashtra    | 9%         |
| Haryana        | 8%         |
| Uttar Pradesh  | 4%         |
| Telangana      | 4%         |
| Kerala         | 2%         |
| Andhra Pradesh | 2%         |
| Delhi          | 2%         |

## OPERATIONAL DATA METRICES

| Diwali Month Sales                          |                |                |                |
|---------------------------------------------|----------------|----------------|----------------|
| Description                                 | Year 2020-2021 | Year 2021-2022 | Year 2022-2023 |
| Units sold (Nos)                            | 1499           | 3829           | 5644           |
| YOY Growth %                                | -              | 155%           | 47.40%         |
| Revenue (₹ in Lakh)                         | 353.38         | 760.75         | 1,023.91       |
| YOY Growth                                  | -              | 115%           | 35%            |
| Units Sold/ Processed (yoy- Financial Year) |                |                |                |
| Description                                 | Year 2020      | Year 2021      | Year 2022      |
| Units Sold                                  | 8,928          | 24,959         | 42,043         |
| YOY Growth %                                | -              | 180%           | 69%            |

Note: Since inception till July,2023, the Company has processed more than 50,000 unique orders

(₹ in Lakh)

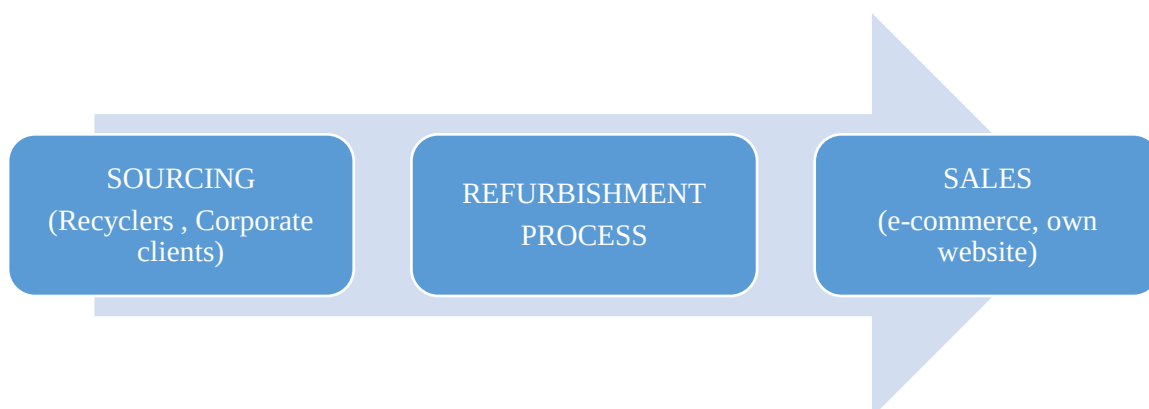
| Online / Offline Sales (Financial Year) |         |          |          |
|-----------------------------------------|---------|----------|----------|
| Description                             | 2020-21 | 2021-22  | 2022-23  |
| Online Sales                            | 684.19  | 2,003.37 | 2833.41  |
| Offline Sales                           | -       | -        | 381.72   |
| Corporate sales                         | 276.48  | 788.53   | 1237.85  |
| Total Sales                             | 960.67  | 2,791.90 | 4,452.98 |

Note : The Company is into an online first company with Online sales contributing 90%+ of its sales. The current operations of the Company are in Indian market only.

(₹ in Lakh)

| Product wise Sales (Financial Year)           |               |                |                |
|-----------------------------------------------|---------------|----------------|----------------|
| Product Description                           | 2020-2021     | 2021-2022      | 2022-2023      |
| Laptops/ Chromebooks                          | 296.74        | 838.60         | 2,309.75       |
| Desktops/ Chromeboxes/ Monitors               | 653.74        | 1,873.14       | 1,996.25       |
| Accessories (Keyboard, Mouse, WiFi, Speakers) | 10.19         | 80.16          | 146.98         |
| <b>Total</b>                                  | <b>960.67</b> | <b>2791.90</b> | <b>4452.98</b> |

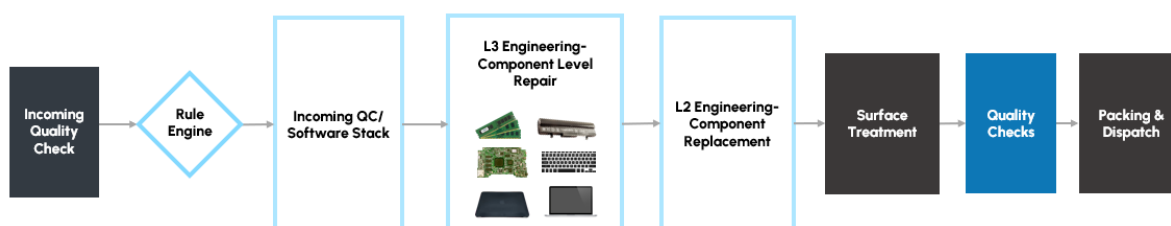
## OUR BUSINESS MODEL



Our business model covers 3 stages:

**Stage I - Sourcing of Inventory:** We source our inventory of IT assets from Recyclers and also directly from Corporate clients. Most of the purchases are based on inspection of inventory to assess its condition basis which we provide competitive quotation to recyclers and corporate. Once the quotations are approved, the inventory is shipped to our refurbishment facility and payments obligations with supplier settled.

**Stage II - Refurbishment of Inventory:** Once the inventory is received in our facility, the inventory goes through a thorough refurbishment process (as detailed below) and is then made ready for sales to end users. Our refurbishment process is explained below.



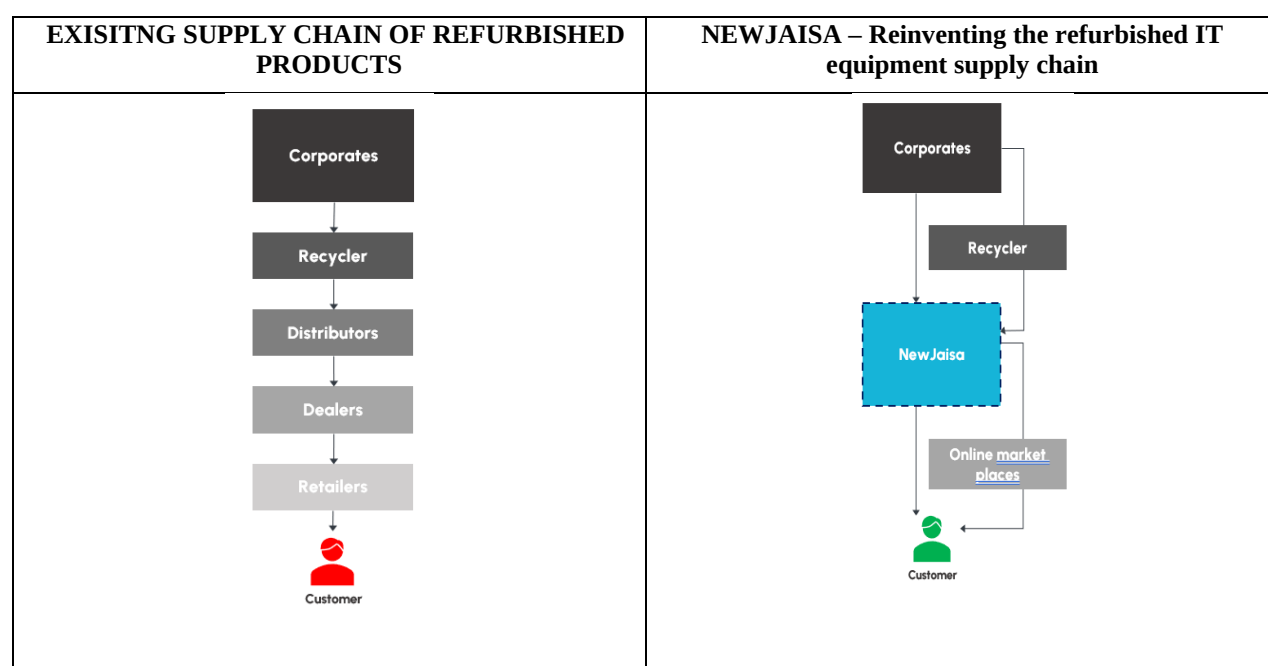
- ✓ Incoming quality check: refers to the QC of the inventory sourced from resellers and Corporate clients. We use proprietary software and QC SOPs to ensure an efficient execution of the QC process.

- ✓ Rule engine: proprietary system which optimizes decision making on part / parts to be repaired / replaced considering current inventory, availability, pricing etc.
- ✓ Incoming QC/ Software stack: here each component of IT inventory is given a unique serial number and assigned into either L3 or L2 workflow process.
- ✓ L3 Engineering: in this section, parts that can be repaired are handled and processed.
- ✓ L2 Engineering: in this section, parts that would need replacement are handled and processed.
- ✓ Surface treatment: Inhouse paint shop which processes the refurbished IT equipment to ensure a scratch less product. This process would include surface and aesthetic correction of the assets.
- ✓ Quality Check: This section handles the final QC of the product to identify any performance and quality issues. This would include update of the operating System and software update.
- ✓ Packaging and dispatch: in this section, the refurbished device is cleaned and packaged and is ready for shipment. Our Company uses 3rd party transportation providers for dispatch of products to customers.

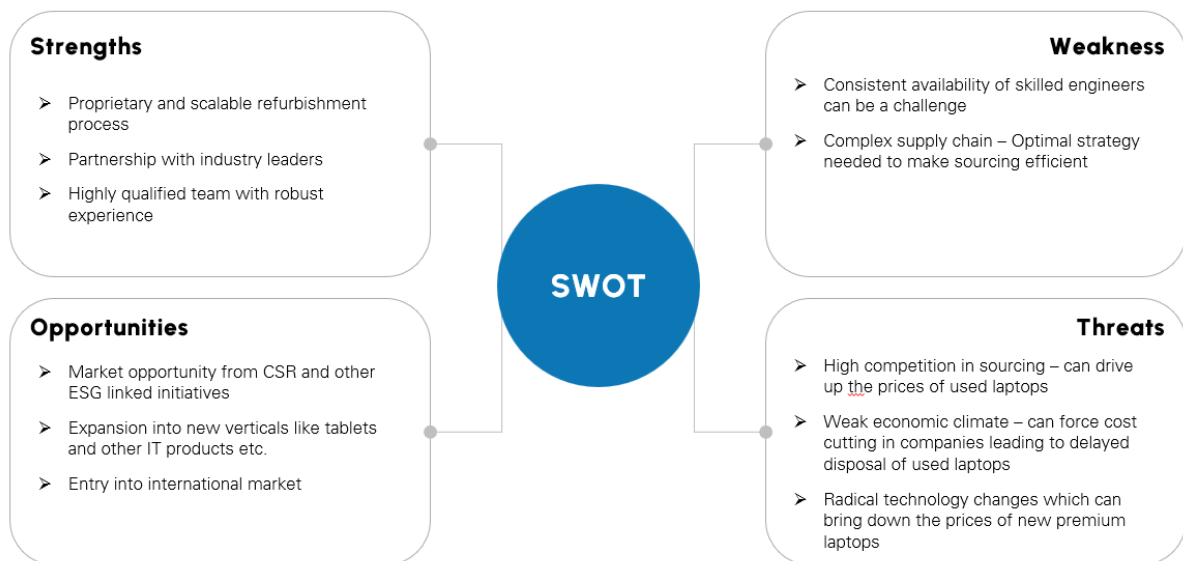
**Stage III - Sales and marketing of Product:** Being a customer focused company, the Company uses multiple marketing strategies including Online marketing, which plays a significant role in reaching the end customer, paid and organic marketing on various ecommerce platforms, paid and organic marketing via social media platforms Google and Facebook and our own website. We sell our products to end customers via online e-commerce channels, our own website as well as handling direct enquires from corporate clients and educational institutions.

## OUR OPERATING MODEL

We have simplified the existing supply chain by eliminating distributors, dealers and retailers in the process. New Jaisa sources used IT equipment directly from corporate clients and recyclers, runs an exhaustive refurbishment process and distributes final refurbished product directly to consumers via online e-commerce channels, own website and direct enquires. This reduces the cost of procurement and the pricing of the final refurbished product.

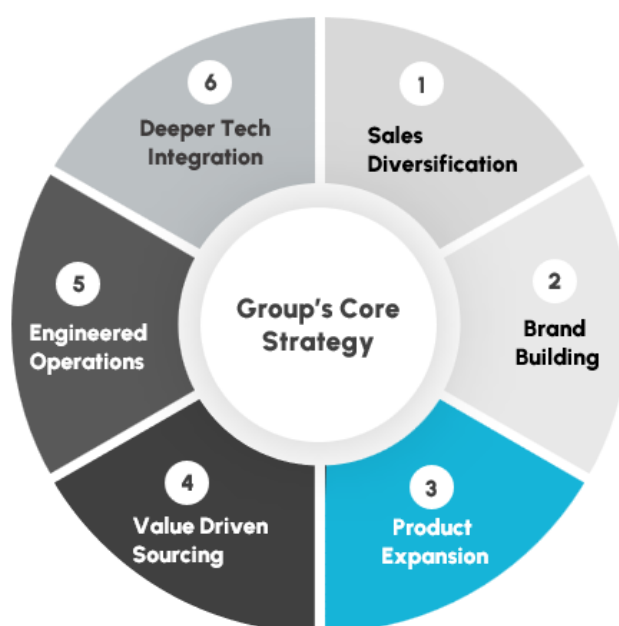


## SWOT ANALYSIS





## OUR GROWTH STRATEGY



A detailed description of our growth strategy is as follows

### **SALES DIVERSIFICATION**

- ✓ Build D2C offline channel to increase sales footprint
- ✓ Tapping into Colleges and schools and offering laptops and desktops under attractive schemes / payment terms
- ✓ Increasing sales to SME clients via rental model and Hardware as a Service (HaaS)
- ✓ Initiate sales via modern trade route – identify large format stores where New Jaisa products can be displayed
- ✓ Focus on increasing sales via own website to 30% of overall sales
- ✓ Expansion into International markets, build sales presence across Africa and South Asia - Position India as CoE for refurbishing

### **BRAND BUILDING**

- ✓ Revamping of our current website with latest UI/ UX to increase customer experience and drive sales
- ✓ Set up a mobile experience center where customers can touch and feel our products
- ✓ Partnerships & tie-ups with Edtech platforms, SME associations to drive visibility within these customer segments.
- ✓ Investment in Brand promotion & PR initiatives which will include programs driven via influencer ecosystem and brand ambassador engagement

### **PRODUCT EXPANSION**

Plans to leverage existing refurbishment platform to newer product categories aligned with our current expertise

## **VALUE DRIVEN SOURCING**

Target to increase direct sourcing by Strategic partnerships with corporates and increasing our value proposition for our purchasing partners / resellers

## **ENGINEERED OPERATIONS**

Our goal under this strategy is centered around the following

- ✓ achieve productivity improvements through technology development and process improvement
- ✓ Increase the proportion of repaired parts in overall refurbishment process as opposed to replacement of parts

## **DEEPER TECH INTEGRATION**

- ✓ Build a Corporate liquidation marketplace: Automated platform for entire ecosystem offering features such as asset testing, price discovery, e-auction etc.
- ✓ Automated QC: Further automation development for our quality check process that can handle multi product, multi platform QC requirements and perform more exhaustive checks on the inventory.
- ✓ Industry 4.0 : Integrating IoT will help us to automate our refurbishing operations even further across all operation function including production planning, routing, material movement, sorting, binning creating a more robust assembly line operating process.
- ✓ Deeper ERP integration: Providing unified ERP solution spanning across supply chain from corporates till end customer life cycle management will help us to implement lean manufacturing capabilities.
- ✓ Analytics integration in decision making: Deeper embedded analytics across our supply chain would provide value to our corporate suppliers to realize better value for their assets, reduce operational waste and in targeting marketing to end customers

## **COLLABORATION**

As on the date of this Red Herring Prospectus, our Company has not entered into any collaboration agreements.

## **PLANT AND MACHINERY**

For details on Plant and Machinery our Company, please refer “Annexure XII - Details of Property, Plant & Equipment as Restated” under section titled “*Restated Financial Statements*” beginning on Page 173 of this Red Herring Prospectus.

## **CAPACITY AND CAPACITY UTILIZATION**

We currently have 347 (99 employees and 248 Interns) operating out of 28,750 Sq Ft delivering approximately 5,500 refurbished SKU on monthly basis.

## **COMPETITION**

Our Industry comprises of both organized and unorganized players, therefore we face competition from both small players who belongs to unorganized sector and big players who have better resources availability.

## **HUMAN RESOURCE**

We believe that our employees are key contributors to our business success. 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 our business.

As at August 31, 2023, we have 99 employees and 248 interns. We seek to maintain a culture of innovation by empowering our employees at all levels of our organization. Our success depends upon our ability to attract, develop, motivate and retain highly-skilled and multi-dimensional team members. Our people management strategy is based on four key components: recruiting, training and development, compensation and retention.

| Category                    | No. of Employees | No. of Interns |
|-----------------------------|------------------|----------------|
| Accounts                    | 4                | 2              |
| Human Resource & Admin      | 2                | 11             |
| Information Technology (IT) | 3                | 1              |
| Operations                  | 84               | 233            |
| Sales                       | 4                | 1              |
| Procurement                 | 2                | 0              |
| <b>Total</b>                | <b>99</b>        | <b>248</b>     |
| <b>Combined Total</b>       | <b>347</b>       |                |

## INSURANCE

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. However, there can be no assurance that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption. If we suffer a large uninsured loss or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and result of operations may be materially and adversely affected:

| Sr. No. | Name of the Insurance company               | Annual Premium (₹) | Property Cover | Amount Cover (₹) | Date of the Last Renewal | Next Renewal Date |
|---------|---------------------------------------------|--------------------|----------------|------------------|--------------------------|-------------------|
| 1.      | United Insurance Company Limited – Fire     | 1,14,431           | Stock          | 10 Crore         | November 30, 2022        | November 29, 2023 |
| 2.      | United Insurance Company Limited – Burglary | 2,595              | Stock          | 10 Crore         | November 30, 2022        | November 29, 2023 |

## INFORMATION TECHNOLOGY

We are tech driven – full stack D2C brand providing quality bespoke refurbished IT electronics at significant discount (~40-70%) as compared to new products. We have developed an automated quality check app enabling traceability and trackability of operations. We have established deep ERP integration with sales and customer support channels. We regularly upgrade our systems to ensure efficiency and business continuity.

## INTELLECTUAL PROPERTY RIGHTS:

We have registered the following Trademark with the Trademarks Registry, Government of India under the Trademarks Act, 1999. The details of the same are as follows:

| Sr. No. | Trademark                                                                         | Wordmark/ Label     | Applicant                                                                               | Trademark/ Application Number | Issuing Authority             | Date of Application | Class of Trade mark | Status                 |
|---------|-----------------------------------------------------------------------------------|---------------------|-----------------------------------------------------------------------------------------|-------------------------------|-------------------------------|---------------------|---------------------|------------------------|
| 1.      |  | New Jaisa (Device)  | Newjaisa Technologies Private Limited                                                   | 5604346                       | Trade Marks Registry, Chennai | September 10, 2022  | 9                   | Objected*              |
| 2.      | NEWJAISA                                                                          | NEWJAISA (Wordmark) | Newjaisa Technologies Limited (Formerly Known as Newjaisa Technologies Private Limited) | 6021092                       | Trade Marks Registry, Chennai | July 14, 2023       | 9                   | Formalities Check Pass |

\*The Company has submitted reply against objection, on July 06, 2023

## FOREIGN PRESENCE

The Company does not have any foreign presence.

## GUARANTEES AND WARRANTIES ON THE PRODUCTS:

Warranty of one year for purchases from our own channels (websites/offline). On market places determined by marketplace rules (e.g. Amazon provide 6 months warranty).

## OUR PROPERTIES:

Details of our properties as follows:-

### Owned Property

| Sr. No. | Schedule of the property and area | Area | Date of Agreement | Seller |
|---------|-----------------------------------|------|-------------------|--------|
| 1       | Nil                               | Nil  | Nil               | Nil    |

### Leave and License Property

The following table sets for the properties taken on rent by us:

| Sr. No. | Location of the property and area                         | Purpose           | Document and Date                              | Licensor           | Rent/ License Fee (in ₹) per month | License period     |                  |
|---------|-----------------------------------------------------------|-------------------|------------------------------------------------|--------------------|------------------------------------|--------------------|------------------|
|         |                                                           |                   |                                                |                    |                                    | From               | To               |
| 1.      | 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura | Registered Office | Supplementary Rental Agreement dated September | Mr. Jai Singh Jain | ₹ 3,48,600/-                       | September 01, 2023 | August 31, 2024. |

|    |                                                                                                                                                                                                    |          |                                                                                                                                                    |                                                                                                                                                                                                                                                                           |                                                           |                   |                   |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------|-------------------|
|    | Main Road,<br>Off<br>Kanakpura<br>Road, Near<br>Delhi<br>Public<br>School<br>Bangalore,<br>560078,<br>Karnataka,<br>India<br><br>Area:<br>16,000 Sq<br>Ft                                          |          | er 07,<br>2022<br>alongwit<br>h<br>Addendu<br>m to<br>Rental<br>Agreeme<br>nt-<br>Extensio<br>n of<br>Lease<br>Term<br>dated<br>August<br>31, 2023 |                                                                                                                                                                                                                                                                           |                                                           |                   |                   |
| 2. | Land<br>Survey<br>No.38/1B,<br>39/1, 39/2<br>and 39/3 of<br>Arekere<br>Village,<br>Begur<br>Hobli,<br>Bangalore<br>South<br>Taluk,<br>Bangalore-<br>560 076<br><br><b>Area:</b><br>28,750<br>Sq Ft | Facility | Lease<br>Deed<br>dated<br>March<br>31, 2023                                                                                                        | 1. Mr. Vishal<br>Bansilal<br>Asrani<br>2. Mrs. Sharmila<br>S Parwani<br>3. Mrs. Sapna P<br>Punjabi<br>4. Mrs. Sheetal<br>B Asrani<br>5. M/s. VB<br>Asrani Energy<br>Ventures,<br>Partnership<br>firm<br>represented by<br>its partner Mr.<br>Vishal<br>Bansilal<br>Asrani | Rs.5,50,000<br>/- plus GST<br>plus<br>applicable<br>taxes | March<br>31, 2023 | March 31,<br>2028 |

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company.*

*Taxation statutes such as the Income Tax Act, 1961, the Customs Act, 1962 and the relevant goods and service tax legislation apply to us as they do to any Indian company. For details of government approvals obtained by our Company, see "Government and Other Approvals" beginning on page 230.*

*The information detailed in this section, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information in this section has been obtained from publications available in the public domain.*

*The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative, regulatory, administrative or judicial decisions.*

### INDUSTRY-SPECIFIC LEGISLATIONS APPLICABLE TO OUR COMPANY

#### ***E-Waste (Management) Rules, 2022***

The E-Waste (Management) Rules, 2022 notified on November 2, 2022 by the Ministry of Environment, Forest and Climate Change, Government of India which has effective from April 01, 2023. The rules are applicable to every manufacturer, producer refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, refurbishing, dismantling, recycling and processing of e-waste or electrical and electronic equipment listed in Schedule I, including their components, consumables, parts and spares which make the product operational but shall not apply to:

- a) waste batteries as covered under the Battery Waste Management Rules, 2022;
- b) packaging plastics as covered under the Plastic Waste Management Rules, 2016;
- c) micro enterprise as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006); and
- d) radio-active wastes as covered under the provisions of the Atomic Energy Act, 1962 and rules made there under.

The term 'refurbisher' means any person or entity repairing or assembling used electrical and electronic equipment as listed in Schedule-I for extending its working life over its originally intended life and for same use as originally intended, and selling the same in the market;

According to sub - rule (1) of Rule 4 of the E-Waste (Management) Rules, 2022, the entities shall register on the portal in any of the following category, namely: -

- a) manufacturer;
- b) producer;
- c) refurbisher; or
- d) recycler.

The entities registered under sub-rule (1) of the Rule 4 of the E-Waste (Management) Rules, 2022 shall not deal with any unregistered manufacturer, producer, recycler and refurbisher.

#### **Responsibilities of the refurbisher.**

- i. register on the portal;
- ii. collect e-waste generated during the process of refurbishing and hand over the waste to registered recycler and upload information on the portal;

- iii. ensure that the refurbished equipment shall be as per Compulsory Registration Scheme of the Ministry of Electronics and Information Technology and Standards of Bureau of Indian Standards framed for this purpose;
- iv. file annual and quarterly returns in the laid down form on the portal on or before the end of the month succeeding the quarter or year, as the case may be, to which the return relates.

### **Extended producer responsibility Certificate Generation**

- a) The e-waste shall also be allowed for refurbishing and refurbisher shall have to get registered on the portal and based on the data provided, refurbishing certificate shall be generated in favour of a registered refurbisher in the format laid down by it in this regard.
- b) On production of the refurbishing certificates purchased from the registered refurbishers, the extended producer responsibility of the producers shall be deferred by the duration as laid down by the Central Pollution Control Board for the corresponding quantity of e-waste and shall be added to the extended producer responsibility of the producer upon expiry of the extended life of the refurbished product.
- c) To incentivise refurbishing, only 75 per cent of the deferred quantity shall be added to the extended producer responsibility of the producer for recycling upon expiry of the extended life of the refurbished product.

### ***Shops and establishments legislations***

The various State shops and establishments legislations 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. All industries have to be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

## **ENVIRONMENTAL LAWS**

### ***The Environment (Protection) Act, 1986 and the Environment (Protection) Rules, 1986***

The Environment (Protection) Act, 1986 was enacted to act as an “umbrella” legislation, designed to provide a frame work for coordination of the activities of various central and state authorities as established under previous laws. The Environment (Protection) Act, 1986 authorises the Central Government to protect the environment by controlling and reducing pollution.

### ***The Air (Prevention and Control of Pollution) Act, 1981, (“Air Act”)***

The Air Act was enacted and designed for the prevention, control, and abatement, of air pollution, and establishes Central and State pollution control boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions, must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any such activity.

### ***The Water (Prevention and Control of Pollution) Act, 1974, (“Water Act”) and the Water (Prevention and Control of Pollution) Cess Act, 1977 (“Water Cess Act”)***

The Water Act was enacted to provide for the prevention and control of water pollution. Further, the Water Act also provides for the establishment of boards with a view to carrying out the aforesaid purpose, and for conferring on and assigning to such boards, the powers and functions relating thereto. In addition, the Water Cess Act was enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industrial activities, and by local authorities, with a view to augment the resources of the aforementioned central board and state boards, for the prevention and control of water pollution.

### ***Solid Waste Management Rules, 2016***

The Solid Waste Management Rules, 2016 shall apply to every authority responsible for collection, segregation, storage, transportation, processing and disposal of solid wastes. The operator of a facility involved in collecting, segregating, storing, transporting, processing and disposal solid wastes and any other agency appointed for the management and handling of solid wastes is required to obtain authorizations from the State Pollution Control Board. Any solid waste generated is required to be managed and handled in accordance with the procedures specified in the Solid Wastes Rules.

### ***The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016***

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended (the “Hazardous Wastes Rules”) impose an obligation on every occupier of a facility generating hazardous waste for safe and environmentally sound handling of such waste at the facility. Every person engaged in generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, conversion, offering for sale and transfer of hazardous waste, must obtain an approval from the applicable state pollution control board. The occupier, the importer, the transporter and the operator of such facility are liable to the environment or third party resulting from the improper handling and disposal of such waste. The Hazardous Wastes Rules permit for aluminium and zinc scrap to be imported without the permission of the Ministry of Environment, Forest and Climate Change to users and traders, who have obtained the one-time permission from the applicable state pollution control board.

### ***Coastal Regulation Zone Notification (“CRZ Notification”)***

The CRZ Notification was notified on January 6, 2011 by the Ministry of Environment and Forests. The CRZ Notification restricts the setting up and expansion of any industry, operations or processes and manufacture or handling or storage or disposal of hazardous substances as specified in the Hazardous Substances (Handling, Management and Transboundary Movement) Rules, 2009 in the Coastal Regulation Zone. The CRZ Notification provides for detailed classification of the Coastal Regulation Zones into different zones for the purpose of conserving and protecting coastal areas and marine waters, and accordingly permits or prohibits the specific activities within each zone.

### ***The Battery Waste Management Rules, 2022., as amended (“Batteries Rules”)***

The Battery Waste Management Rules, 2022 notified on August 22, 2022 by the Ministry of Environment, Forest and Climate Change, Government of India which has effective from the date of their publication in the Official Gazette. The Battery Waste Management Rules, 2022 is applicable to :

- i. Producer, dealer, consumer, entities involved in collection, segregation, transportation, re-furbishment and recycling of Waste Battery
- ii. all types of batteries regardless of chemistry, shape, volume, weight, material composition and use.

The Battery Waste Management Rules, 2022 do not apply to Battery used in, – (i) equipment connected with the protection of the essential security interests including arms, ammunitions, war material and those intended specifically for military purposes; ii) equipment designed to be sent into space.

### ***Plastic Waste Management Rules, 2016***

The Plastic Waste Management Rules, 2016, were implemented to provide a regulatory framework for the management of plastic waste generated in the country. They require any person or group of persons or institution generating plastic waste or discarding plastic after its intended use is over, to take steps to minimise the generation of plastic waste, segregate plastic waste at source, not litter plastic waste, and ensure that plastic waste is handed over to the specified persons or authorities.



## **INFORMATION TECHNOLOGY LAW**

### ***Information Technology Act, 2000***

The Information Technology Act, 2000 (hereinafter referred to as the 'IT Act') creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing with, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines and imprisonment for various computer related offences. These include offences relating to unauthorized disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorized access, publication or transmission of obscene material etc. The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defense and security of India, among other things.

In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 under section 43A of the IT Act (hereinafter referred to as the 'IT Personal Data Protection Rules') and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act (hereinafter referred to as the 'IT Intermediaries Rules'). The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data, and require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Personal Data Protection Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law. The IT Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it.

## **Tax Laws**

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

Income Tax Act, 1961 is applicable to every domestic or 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. Under section 139(1) every Company is required to file its income tax return for every previous year by October 31 of the assessment year. Other compliances like those relating to tax deduction at source, fringe benefit tax, advance tax, and minimum alternative tax and the like are also required to be complied with by every company.

### ***Goods and Service Tax ("GST")***

Goods and Service Tax ("GST") GST is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST is levied as Dual GST separately but concurrently by the Union (central tax - CGST) and the States (including Union Territories with legislatures) (State tax - SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament has exclusive power to levy GST (integrated tax IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India.

### ***Central Goods and Services Tax Act, 2017 ("CGST Act")***

CGST Act regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a

single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs.

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

All the laws relating to customs are consolidated under the Indian Customs Act, 1962. The provisions relating to appointment of customs ports, airports, warehousing stations are laid down under the Act. There shall be absolute or partial prohibition on import or export of goods by the Central Government for maintenance of security in India. The interest on levy of or exemption of customs duty is laid down under Chapter V of the Act. The clearance of imported goods and export shall not apply to baggage and goods imported or to be exported by post.

### ***The Professional Tax***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

## **FOREIGN INVESTMENT LAWS**

The foreign investment in our Company is governed by, inter alia, the Foreign Exchange Management Act (“**FEMA**”), as amended, the FEMA Rules, the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”) effective from October 15, 2020, issued and amended by way of press notes, which prescribe certain requirements with respect to downstream investments by Indian companies that are owned or controlled by foreign entities and with respect to foreign investment into India and transfer of ownership or control of Indian companies in sectors with caps on foreign investment from resident Indian persons or entities to foreigners, as well as such transactions between foreigner. These requirements currently include restrictions on pricing, issue, transfer, valuation of shares and sources of funding for such investments, and may, in certain cases, require prior notice to or approval of the Government of India. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which the foreign investment is sought to be made.

### ***The Foreign Trade (Regulation and Development) Act, 1992 and the rules framed thereunder (“FTA”)***

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTA read with the Indian Foreign Trade Policy, 2015-20 (extended till March 31, 2023) provides that no person or company can make exports or imports without having obtained an importer exporter code (“**IEC**”) number unless such person or company is specifically exempted. An application for an importer exporter code number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce (“**DGFT**”). An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

## **LABOUR LAW LEGISLATION**

### ***Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (hereinafter referred to as the 'EPF Act') and the Employees Provident Fund Scheme, 1952.***

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act frames Employees Provident Scheme, 1952.

### ***Employees Deposit Linked Insurance Scheme, 1976***

The scheme shall be administered by the Central Board constituted under Section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### ***The Employees' State Insurance Act, 1948***

The Employees' State Insurance Act, 1948 (the "ESI Act") an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

### ***The Employees Pension Scheme, 1995***

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

### ***Employee's Compensation Act, 1923***

It is common knowledge that many of the tasks for which labourers or workmen are employed involve great physical hardships, risks of loss or injury to the employees which may even result in death. This Act assures that the employee or his dependents are to be compensated for injury or death caused to him during his employment. The Employee's Compensation (Amendment) Act, 2017 (hereinafter referred to as "the amendment") received the President's assent in 12<sup>th</sup> April 2017.

### ***Payment of Bonus Act, 1965***

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production

and productivity. The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

### ***Payment of Gratuity Act, 1972***

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 20 or more than 20 persons are employed on any day during an accounting year who is in continuous service for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, death or disablement.

### ***Minimum Wages Act, 1948 (hereinafter referred to as the 'MWA')***

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

### ***Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

### ***Equal Remuneration Act, 1979***

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### ***Child Labour Prohibition and Regulation Act, 1986***

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

### ***The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013***

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the Company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe

working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes\*:

- a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.
- b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes received the assent of the President of India on September 28, 2020. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.
- c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's Compensation Act, 1923, Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

*\* The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.*

## PROPERTY LAWS

### ***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 was intended to define and amend the existing laws and not to introduce any new principle. It applies only to voluntary transfers. The Transfer of Property Act, 1882 provides a clear, systematic and uniform law for the transfer of immovable property. Transfer of property means an act by which a person conveys the property to one or more persons, or himself and one or more other persons. The act of transfer may be done in the present or for the future. The person may include an individual, company or association or body of individuals, and any kind of property may be transferred, including the transfer of immovable property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter. The Transfer of Property Act, 1882 recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

|                          |                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Sale</b>              | The transfer of ownership in property for a price, paid or promised to be paid.                                                                                                                                                                                                                                                                                                                      |
| <b>Mortgage</b>          | The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The Property Act recognizes several forms of mortgages over a property.                                                                                                                               |
| <b>Charges</b>           | Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.                                                                                                          |
| <b>Leases</b>            | The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.                                                                                                                                                                                                                                                                                 |
| <b>Leave and License</b> | The transfer of a right to do something upon immovable property without creating interest in the property. Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses. |

### ***Registration Act, 1908***

The Registration Act, 1908 has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act, 1908 is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act, 1908 identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the Property Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

### ***Indian Stamp Act, 1899***

Under the Indian Stamp Act, 1899 stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Indian Stamp Act, 1899 at the rates specified in the schedules to the Indian Stamp Act, 1899. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Indian Stamp Act, 1899, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### ***Karnataka Stamp Act, 1957***

The purpose of Indian Stamp Act, 1899 was to streamline and simplify transactions of immovable properties and securities by the State Government. The Indian Stamp Act, 1899 provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Indian Stamp Act, 1899. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

## **INTELLECTUAL PROPERTY LEGISLATIONS**

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970;
- Indian Copyright Act, 1957;
- The Trade Marks Act, 1999

### ***Indian Patents Act, 1970***

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### ***The Copyright Act, 1957***

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, and rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

### ***Trade Marks Act, 1999 (hereinafter referred to as the 'TM Act')***

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

## **COMMERCIAL LAWS**

### ***Companies Act, 2013***

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the director's payable by the companies is under Part II of the said schedule.

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

The Indian Contract Act, 1872 occupies the most important place in the commercial law. Without Indian Contract Act, 1872, it would have been difficult to carry on trade or any other business activity and in employment law. It is not only the business community which is concerned with the Indian Contract Act, 1872, but it affects everybody. The objective of the Indian Contract Act, 1872 is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

### ***Competition Act, 2002***

The Competition Act, 2002 aims to anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The act deals with prohibition of agreements and anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstance as mentioned under the act. The prima facie duty of the Competition Commission established under the act I to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade.

### ***Negotiable Instruments Act, 1881***

Negotiable Instruments Act, 1881 was enacted to legalize the system by which instruments contemplated by it could pass from hand to hand by negotiation like any other goods. The purpose of the act was to present an orderly and authoritative statement of leading rules of law relating to the negotiable instruments. To achieve the objective of the act, the legislature thought it proper to make provision in the act for conferring certain privileges to the mercantile instruments contemplated under it and provide special procedure in case the obligation under the instrument was not discharged.

### ***Specific Relief Act, 1963***

The Specific Relief Act, 1963 is complimentary to the provisions of the Indian Contract Act, 1872 and the Transfer of Property Act, 1882, as the act applies both to movable property and immovable property. The act applies in cases where the court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. 'Specific performance' means court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### ***Limitation Act, 1963***

The law relating to law of limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on October 05, 1963 and which came into force from January 01, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, 'period of limitation' means the period of limitation prescribed for any suit, appeal or application by the schedule, and 'prescribed period' means the period of limitation computed in accordance with the provisions of this Act.

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

The Consumer Protection Act, 2019 will repeal the existing Consumer Protection Act, 1986, and shall come into force on such date as the Central Government may, by notification, appoint. The Consumer Protection Act, 1986 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 and unlawful pricing. 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 attract criminal penalties. The Consumer Protection Act, 2019, will, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers and provides for mediation cells for the early settlement of disputes between the parties. It places liability on a product manufacturer / product service provider / product seller to compensate for the harm caused due to a defective product or deficiency in services. The Consumer Protection Act also enables the Central Government to take measures for preventing unfair trade practices in e-commerce.



## HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### Corporate Profile and Brief History of our Company

Our Company was originally incorporated as private limited company under the Companies Act, 2013 in name and style of “Newjaisa Technologies Private Limited” bearing CIN U32106KA2020PTC134935, pursuant to a certificate of incorporation dated June 16, 2020 issued by the Registrar of Companies, Central Registration Centre and commenced its business on December 18, 2020. Subsequently, our Company was converted into public limited company pursuant to shareholders resolution passed at an EGM held on May 04, 2023 and name of our Company was changed from “Newjaisa Technologies Private Limited” to “Newjaisa Technologies Limited”, and a fresh certificate of incorporation dated June 27, 2023 was issued by the Registrar of Companies, Bangalore, Karnataka. The Corporate Identification Number of our Company post conversion is U32106KA2020PLC134935.

Mr. Vishesh Handa and Mr. Mukunda Raghavendra are the Promoters of our Company. Mrs. Sukriti Vijay and Mrs. Prathibha were the initial subscribers to the Memorandum of Association of our Company. For further capital built-up information, please refer to the section titled ‘*Capital Structure*’ beginning on page 68 of this Red Herring Prospectus.

Started in 2020, We are a Technology driven Direct to consumer refurbished IT electronics company providing quality refurbished electronics at significant discount as compared to new products. Our business model encompasses end to end reverse supply chain for IT assets. It involves procuring used IT assets (laptops, desktops and peripherals), refurbishing them to as close to new computer condition, and selling them directly to end use customers – businesses or retail. We currently are focused and operate in Indian market and cater to our Pan India customer base via ecommerce and our online platforms. Our business is helping us to reduce growing ewaste problem on one hand and, at same time, help serve large underserved Indian population that currently has low personal computing ownership, by delivering quality product at very affordable prices with service guarantee via our warranties.

For information on our Company’s business profile, activities, services, managerial competence, customers, growth, technology, marketing strategy, competition, our clients, the standing of our Company with reference to prominent competitors refer to the sections titled, ‘*Our Business*’, ‘*Our Industry*’, ‘*Financial Information*’, ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ and ‘*Government and Other Approvals*’ beginning on pages 119, 106, 173, 214 and 230 respectively of this Red Herring Prospectus.

### Changes in Registered Office

Our Registered Office is currently situated at 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School, Bangalore, 560078, Karnataka, India.

Except as mentioned below, there is no change in the Registered Office address as on the date of this Red Herring Prospectus.

| From                                                                                                  | To                                                                                                                                                    | Effective Date | Reason                         | Type of Meeting  |
|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------|------------------|
| Office No. 12, SBI Colony, 40th Main Road, J.P. Nagar Phase I, Bangalore – 560 078, Karnataka, India. | 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School Bangalore, 560078, Karnataka, India | July 07, 2023  | For administrative convenience | Board Resolution |

### Main Objects of our Company

The main objects of our Company, as contained in the Memorandum of Association are as follows:

“

1. To carry on the business of deal in, purchase, manufacturing and sales of refurbished electronics items including but not limited to mobiles, laptops, AC's, fridge, printer, kitchenware, led TV, all types of electronic components, devices, equipments and appliances, equipments such as television and wireless apparatus including radio receivers and transmitters, tape recorders, broadcast relay and reception equipment's, phonographs and other equipment's used in and or for audio and visual communications, apparatus and equipment including those using electromagnetic waves intended for radio-telegraphic or radio-telephonic communication photocopiers, electronic lighting controls, continuous fan/motor speed controls, continuous flashers and fire alarm systems, digital and other electronic clock, time relays, punch card machines, electromechanical pneumatic controls, computers and automatic calculators, X-ray machines and tubes, surgical, medical and other appliances intended for electro and other therapy treatment and in all types of tapes, magnetic and otherwise, photographic films, projectors and cameras, and capacitors, resistance, condensers, semi-conductors, transistors, rectifiers, integrated and hybrid circuits, relays, potential meters, connectors, printed circuits, coils, chokes, transformers, switches, volume controls, plugs, sockets, aerial gears, diodes and allied items intended for and used in electronic devices, and in air conditioners, refrigerators, washing machines, heaters and cooking ranges and other types of domestic machines, heaters and cooking ranges and other types of domestic appliances and any type of equipment used in the generation, transmission and receiving of sound, light and electrical impulses and component parts thereof and other materials used in or in connection with electronic and electrical industries.
2. To carry on the business as importers, exporters, manufacturers of and dealers in all kinds of household appliances including refrigerators, dryers, heaters, presses, pressure cookers, ovens, cooking ranges, hot plates, other cooking utensils of all types, containers, buckets, toasters, mixers, washing machines and other electric appliances including radios, televisions, transformers and electric motors of every kind and description.”

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Set out below are the amendments to the Memorandum of Association since the incorporation of our Company:

| Date of Shareholders' Meeting | AGM/ EGM | Particulars of Changes in Memorandum of Association                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| March 02, 2021                | EGM      | Amendment in Clause V of MoA pursuant to increase in Authorized Share Capital of our Company from ₹10,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each to ₹35,00,000/- divided into 3,50,000 Equity Shares of ₹ 10/- each.                                                                                                                                                                                                             |
| April 01, 2021                | EGM      | Amendment in Clause V of MoA pursuant to increase in Authorized Share Capital of our Company from ₹35,00,000/- divided into 3,50,000 Equity Shares of ₹10/- each to ₹36,00,000/- divided into 3,60,000 Equity Shares of ₹ 10/- each.                                                                                                                                                                                                             |
| May 04, 2023                  | EGM      | Amendment in Clause V of MoA pursuant to increase in Authorized Share Capital of our Company from ₹36,00,000 divided into 3,60,000 Equity Shares of ₹10.00 each to ₹ 15,00,00,000 divided into 1,50,00,000 Equity Shares of ₹ 10.00 each.                                                                                                                                                                                                        |
| May 04, 2023                  | EGM      | Amendment in Clause I of MoA pursuant to conversion of our Company from private limited to public limited and the name of our Company was changed from “Newjaisa Technologies Private Limited” to “Newjaisa Technologies Limited” and a fresh Certificate of incorporation dated June 27, 2023 bearing CIN U32106KA2020PLC134935 was issued by Registrar of Companies, Bangalore, Karnataka.                                                     |
| July 06, 2023                 | EGM      | Amendment in Clause V of MoA pursuant to sub-division of 1 (one) equity share of the Company having a face value of ₹ 10/- (Rupees Ten only) each into 2 (five) equity shares having a face value of ₹ 5/- (Rupees Five only) each, the Authorized Share Capital of the Company was altered from ₹ 15,00,00,000/- divided into 1,50,00,000 Equity Shares of ₹ 10/- each to ₹15,00,00,000/- divided into 3,00,00,000 Equity Shares of ₹ 5/- each. |

| <b>Date of Shareholders' Meeting</b> | <b>AGM/ EGM</b> | <b>Particulars of Changes in Memorandum of Association</b>                                                                                                                                                                                       |
|--------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| July 06, 2023                        | EGM             | Amendment in Clause V of MoA pursuant to increase in Authorized Share Capital of our Company from ₹15,00,00,000/- divided into 3,00,00,000 Equity Shares of ₹ 5/- each to ₹ 17,00,00,000/- divided into 3,40,00,000 Equity Shares of ₹ 5/- each. |

#### **ADOPTING NEW ARTICLES OF ASSOCIATION OF OUR COMPANY**

Our Company has adopted a new set of Articles of Association in accordance with applicable provisions of the Companies Act 2013, in an EGM of our Company dated May 04, 2023.

#### **MAJOR EVENTS AND MILESTONES**

The table below sets forth some of the key events in the history of our Company:

| <b>Year</b> | <b>Particulars</b>                                                                                                                     |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 2020        | Incorporation of our Company with name “Newjaisa Technologies Private Limited”.                                                        |
|             | Listed on Amazon/Flipkart and partnered with regional reseller and became Amazon preferred partner;                                    |
| 2021        | The revenue of the Company was increased to ₹ 960.67 lakhs.                                                                            |
|             | Break-even achieved in the first year with 7.6% PAT margin.                                                                            |
| 2022        | The revenue of the Company was increased to ₹ 2,791.90 lakhs.                                                                          |
| 2023        | The revenue of the Company was increased to ₹ 4,452.98 lakhs.                                                                          |
|             | Private Equity Investment in our company by Negen Tech Opportunities Angel Fund (Category I Alternate Investment Fund).                |
|             | Team Size grew to 99 employees and 248 Interns                                                                                         |
|             | Conversion of our Company from private to public i.e. from ‘Newjaisa Technologies Private Limited’ to ‘Newjaisa Technologies Limited’. |

#### **HOLDING COMPANY OF OUR COMPANY**

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

#### **SUBSIDIARY OF OUR COMPANY**

As on the date of this Red Herring Prospectus, our Company does not have any subsidiary company.

#### **ASSOCIATE COMPANY**

As on the date of this Red Herring Prospectus, our Company does not have any associate company.

#### **JOINT VENTURES OF OUR COMPANY**

As on the date of this Red Herring Prospectus, our Company does not have any Joint Venture.

#### **CAPACITY OR FACILITY CREATION AND LOCATIONS OF PLANTS**

We currently have 347 (99 employees and 248 Interns) operating out of 28,750 Sq Ft delivering approximately 5,500 refurbished SKU on monthly basis.

#### **TIME AND COST OVER-RUNS IN SETTING UP PROJECTS**

Our Company have not implemented any projects and therefore have not experienced any time or cost overruns in relation thereto.

## **DEFAULTS OR RE-SCHEDULING OF BORROWINGS**

As on the date of this Red Herring Prospectus, there has been no default or re-scheduling/ re-structuring of borrowings availed by our Company from any financial institutions or banks.

## **SIGNIFICANT STRATEGIC PARTNERS**

As of the date of this Red Herring Prospectus, our Company does not have any significant strategic partner.

## **SIGNIFICANT FINANCIAL PARTNERS**

Apart from the various arrangements with the bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners as on the date of this Red Herring Prospectus.

## **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS**

For details regarding key products or services launched by our Company, entry into new geographies or exit from existing markets, please refer the section titled '*Our Business*' beginning on page 119 of this Red Herring Prospectus.

## **DETAILS REGARDING MATERIAL ACQUISITIONS OR MERGERS, AMALGAMATIONS IN THE LAST 10 YEARS**

As on date of this Red Herring Prospectus, our Company has neither made any material acquisitions nor entered into any scheme of merger, amalgamations in the last 10 years.

## **DETAILS REGARDING DIVESTMENTS OF BUSINESS/ UNDERTAKINGS IN THE LAST 10 YEARS**

As on date of this Red Herring Prospectus, our Company has not divested any business/ undertaking in the last 10 years.

## **ANY REVALUATION OF ASSETS, IN THE LAST 10 YEARS**

As on date of this Red Herring Prospectus, our Company has not re-valued its assets in the last 10 years.

## **COLLABORATION AGREEMENTS**

As on the date of this Red Herring Prospectus, our Company has not entered into any collaboration agreements.

## **SHAREHOLDERS' AGREEMENTS AND OTHER AGREEMENTS**

As on the date of this Red Herring Prospectus, our Company has not entered into any shareholders' agreements nor is aware of any such agreement subsisting between the shareholders to which our Company is not a party.

## **OTHER AGREEMENTS**

The Share Subscription Agreement was executed on May 26, 2023, by and between our Company and Negen Tech Opportunities Angel Fund ("**Negen**") for the issue of 22,056 Equity Shares of ₹10/- each to Negen for a consideration of approximately ₹ 500.00 lakhs.

## **MATERIAL AGREEMENTS**

As on the date of this Red Herring Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. Further, we confirm that except as disclosed in this Red Herring Prospectus, there are no other inter-se agreements or arrangements entered into by and amongst any of the Promoters or Shareholders to which the Company is a party, or agreements of like nature, or agreements comprising material clauses/covenants that are required to be disclosed in this Red Herring Prospectus.

Furthermore, we confirm that there are no agreements which contain clauses/covenants that shall continue to be available to any Shareholders post listing of the Equity Shares on the Stock Exchange, which are adverse/prejudicial to the interest of minority/public shareholders.

#### **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTOR, PROMOTER OR ANY OTHER EMPLOYEE**

As on the date of this Red Herring Prospectus, there are no agreements entered into by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

#### **DETAILS OF CHANGES IN MANAGEMENT**

For details of change in management please refer to the section titled '*Our Management*' beginning on page 145 of this Red Herring Prospectus.

#### **NUMBER OF SHAREHOLDERS**

As on the date of this Red Herring Prospectus, the total number of members of our Company is 7 (seven). For further details, please refer the section titled '*Capital Structure*' beginning on page 68 of this Red Herring Prospectus.

## OUR MANAGEMENT

### I. Board of Directors

Pursuant to the requirements of the Companies Act, 2013 and the AOA, our Company is required to have not less than three Directors and not more than fifteen Directors, provided that our shareholders' may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As of the date of this Red Herring Prospectus, our Company comprises of 5 (five) Directors on our Board, including 2 (two) Executive Directors, 1 (one) Non-Executive Non Independent Director Woman Director, and 2 (two) Non-Executive Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth details regarding our Board as on the date of this Red Herring Prospectus:

| Sr.<br>No. | Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN                                                                                                                                                                                                                                                                                                                                                                                                         | Other directorships                                                                                          |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| 1.         | <p><b><u>Mr. Vishesh Handa</u></b></p> <p><b>Designation:</b> Chairman and Managing Director</p> <p><b>Address:</b><br/>Villa 71, Villa Scapes, Osman Sagar Road, Gandipet, K V Rangareddy, Telangana - 500075</p> <p><b>Date of Birth:</b> May 05, 1977</p> <p><b>Age:</b> 46 Years</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Current Term:</b> For a period of five years, with effect from May 04, 2023, not liable to retire by rotation</p> <p><b>Period of Directorship:</b> Since September 01, 2021.</p> <p><b>DIN:</b> 07842847</p> | <p><i>Indian Companies :</i></p> <p>Vanshya Enterprises LLP</p> <p><i>Foreign Companies :</i></p> <p>Nil</p> |

| Sr. No. | Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN                                                                                                                                                                                                                                                                                                                                                                                    | Other directorships                                                                                                                                                                                    |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.      | <p><b><u>Mrs. Ankita Handa</u></b></p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b><br/>Villa 71, Villa Scapes, Osman Sagar Road, Gandipet, K V Rangareddy, Telangana - 500075.</p> <p><b>Date of Birth:</b> November 07, 1984</p> <p><b>Age:</b> 38 Years</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Current Term:</b> Appointed with effect from June 08, 2023, liable to retire by rotation.</p> <p><b>Period of Directorship:</b> Since January 13, 2023.</p> <p><b>DIN:</b> 08690084</p>    | <p><i>Indian Companies :</i></p> <ul style="list-style-type: none"> <li>• Newjaisa Edutech Ujwal Foundation</li> <li>• Vanshya Enterprises LLP</li> </ul> <p><i>Foreign Companies :</i></p> <p>Nil</p> |
| 3.      | <p><b><u>Mr. Mukunda Raghavendra</u></b></p> <p><b>Designation:</b> Whole Time Directors</p> <p><b>Address:</b><br/>B-12 SBI Colony 40th Main J P Nagar 1st Phase Bangalore South Bangalore Karnataka 560078</p> <p><b>Date of Birth:</b> September 06, 1972</p> <p><b>Age:</b> 51 Years</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Current Term:</b> Appointed with effect from June 08, 2023, liable to retire by rotation.</p> <p><b>Period of Directorship:</b> Since March 03, 2023</p> <p><b>DIN:</b> 10060683</p> | <p><i>Indian Companies :</i></p> <p>Nil</p> <p><i>Foreign Companies :</i></p> <p>Nil</p>                                                                                                               |

| Sr. No. | Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN                                                                                                                                                                                                                                                                                                                                                                   | Other directorships                                                                                                                                                                                                                                         |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.      | <p><b><u>Mr. Gaurav Jindal</u></b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b><br/>637, Sector-17, Faridabad Kheri Kalan (113), Kheri Kalan, Faridabad, Haryana 121002.</p> <p><b>Date of Birth:</b> July 25, 1979</p> <p><b>Age:</b> 44 Years</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Current Term:</b> Five years with effect from June 8, 2023.</p> <p><b>Period of Directorship:</b> Since June 8, 2023.</p> <p><b>DIN:</b> 06892227</p>                          | <p><i>Indian Companies :</i></p> <p>Nil</p> <p><i>Foreign Companies :</i></p> <p>Nil</p>                                                                                                                                                                    |
| 5.      | <p><b><u>Mr. Purav D Shah</u></b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b><br/>Villa No.36, Villa Scapes, Besides KLR Lane, Opp. Signature Villas, Gandipet, K.V Rangareddy, Telangana-500075.</p> <p><b>Date of Birth:</b> May 29, 1977</p> <p><b>Age:</b> 46 Years</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Current Term:</b> Five years with effect from June 8, 2023.</p> <p><b>Period of Directorship:</b> Since June 8, 2023.</p> <p><b>DIN:</b> 05126728</p> | <p><i>Indian Companies :</i></p> <ul style="list-style-type: none"> <li>• Crop Corporation Private Limited</li> <li>• Blue It Consulting India Private Limited</li> <li>• Picu Agri Private Limited</li> </ul> <p><i>Foreign Companies :</i></p> <p>Nil</p> |

#### Brief Biographies of Directors

**Mr. Vishesh Handa**, is one of the Promoters and currently the Chairman and Managing Director of our Company. He holds a bachelor's degree in Technology in Metallurgical Engineering & Material Science from Indian Institute of Technology, Bombay and post graduate diploma in management for executives from the Indian Institute of Management, Calcutta. He has work experience of 23 years in Information Technology sector. He specialises in Technology, Operations and Strategy Management matters. He has been associated with Infosys Technology as Software Engineer, HSBC software development India Private Ltd as Associate Project Manager, and Google India Pvt. Ltd as Online sales and operation manager. He has been actively involved in the day-to-day operations and currently overseeing & controlling the overall administration and finance. He has been associated with our Company since June 16, 2020.



**Mr. Mukunda Raghavendra**, is one of the Promoters and currently the Whole-Time Director of our Company. He holds a diploma in Electronic & Communications from Karnataka Technical Board, Bengaluru. He has work experience of 29 years in post-sales activity, warranty service delivery, OEM services, repair & refurbish services, customer walk-ins services, people management, business development from existing customer. He has been associated with Symmentric Technologies as Team Leader of Customise service division, PSI data system as Systems engineer, and HCL as Senior. Consultant-Channel Support. He has been associated with our Company since June 16, 2020.

**Mrs. Ankita Handa**, is Non-Executive Director of our Company. She holds a bachelor's degree in Electronics and Telecommunications Engineering from Vivekanand Education Society's Institute of Technology, University of Mumbai and MBA from Department of Management Sciences, University of Pune. She has work experience of 17 years in operations & quality management. She has extensive experience in managing large teams and conducting cross functional trainings. She has been associated with Amazon Development Centre (India) Private Limited as Transaction Risk Investigator and HSBC Software Development India Private Limited as Software Engineer. She has been associated with our Company since January 13, 2023.

**Mr. Gaurav Jindal**, is an Independent Director of the Company. He holds bachelor's degree in technology in production and industrial engineering from Indian Institute of Technology, Delhi and post graduate diploma in management for executives from the Indian Institute of Management, Calcutta. He has 21 years of work experience in the field of information technology system from Symphony Services as Engineer- Software product development, Chainalytics as Senior Consultant and Jade e-services Pvt Ltd (Jabong) as Director-operations. Presently, he is working as senior director of data science and analytics at Cricut. He has been associated with our Company since June 8, 2023.

**Mr. Purav D Shah**, is an Independent Director of the Company. He holds Master's degree in Information Technology from Griffith University and Bachelor of Science from Sardar Patel University. He has 25 years of professional experience, spanning from analyst to leadership positions in Big 4 consulting firms, top-tier IT service providers, and start-ups. He has been associated with Hi-Tech IT consultants as Software Engineer, Indusa Infotech Services Pvt. Ltd. as Executive Business Analyst, Techno- Commercial Solutions as Project Manager, Sayam Computers Services Ltd. as Business Value Enhance, Sub Band Bi-1, Conjoin Solution Pvt Ltd as General Manager/Principal Consultant, Deloitte Consulting India Pvt Ltd as Manager and Tech Mahindra Ltd as Principal Consultant. He has been associated with our Company since June 8, 2023.

## Confirmations

- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of senior management.
- Other than statutory benefits upon termination of the employment in our Company on retirement, none of the Directors have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.
- As on the date of this Red Herring Prospectus, none of our Directors are on the RBI list of wilful defaulters.
- As on date of this Red Herring Prospectus, none of our Directors are declared as Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Director is or was a director of any listed company during the last 5 years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the stock exchange(s), during the term of their directorship in such Company.
- None of our Director is or was a director of any listed company which has been or was delisted from any recognized stock exchange during the term of their directorship in such company.
- None of the Promoter, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or persons in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also comprises any of the Directors of our Company.

### Borrowing powers of our Board

Pursuant to a special resolution passed by our shareholders at an AGM held on July 10, 2023, our Board is authorised to borrow any sum of monies from time to time notwithstanding that the sum so borrowed together with the monies, if any, already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) exceeding the paid up capital and free reserves of our Company provided that such amount does not exceed ₹ 5000 Lakhs.

### Remuneration/ compensation/ commission paid to our Directors

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 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. Vishesh Handa                                                                                                                                                                                                                                                                   | Mr. Mukunda Raghavendra                                                                                                                                                                                                                                                                      |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Appointment / Change in Designation   | Originally appointed as Additional Director w.e.f. September 1, 2021.<br><br>Designated as Managing Director w.e.f. May 04, 2023 vide Shareholders Resolution dated May 04, 2023. He has also been appointed as Chairman of our Company vide Board Resolution dated April 05, 2023. | Originally appointed as Additional Director w.e.f. March 03, 2023.<br><br>Designated as Executive Director w.e.f. May 04, 2023 vide Shareholders Resolution dated May 04, 2023.<br>Designation as Whole-Time Director w.e.f. June 08, 2023 vide Shareholders Resolution dated June 08, 2023. |
| Current Designation                   | Chairman and Managing Director                                                                                                                                                                                                                                                      | Whole-Time Director                                                                                                                                                                                                                                                                          |
| Term of Appointment                   | 5 years<br>Not liable to retire by rotation                                                                                                                                                                                                                                         | 5 years<br>Liable to retire by rotation                                                                                                                                                                                                                                                      |
| Remuneration & Perquisites            | Not exceeding ₹ 120 Lakhs per annum which includes basic salary, perquisites, allowances but excluding bonus.*                                                                                                                                                                      | Not exceeding ₹ 120 Lakhs per annum which includes basic salary, perquisites, allowances but excluding bonus.**                                                                                                                                                                              |
| Compensation paid in the year 2022-23 | ₹ 20 Lakhs                                                                                                                                                                                                                                                                          | ₹ 19 Lakhs                                                                                                                                                                                                                                                                                   |

\* Vide Shareholders resolution dated July 10, 2023, the Company has revised the remuneration from ₹ 20 lakhs p.a. to ₹ 120 lakhs p.a.

\*\*Vide Shareholders resolution dated July 10, 2023, the Company has revised the remuneration from ₹ 19 lakhs p.a. to ₹ 120 lakhs p.a.

### Payments or benefits to Directors by our Company

Except as disclosed below, our Company has not paid any compensation or granted any benefit to any of our Directors (including contingent or deferred compensation) in all capacities in the financial year ended March 31, 2023:

### Remuneration paid to our Directors in the financial year ended March 31, 2023:

| Sr. No. | Name of Director         | Remuneration paid (₹. In Lakhs) |
|---------|--------------------------|---------------------------------|
| 1.      | Mr. Vishesh Handa        | 20.00                           |
| 2.      | Mrs. Ankita Handa*       | NIL                             |
| 3.      | Mr. Mukunda Raghavendra# | 19.00                           |

*\*Appointed w.e.f. January 13, 2023 as executive director till June 07, 2023 and thereafter her designation has changed to Non-Executive Director w.e.f. June 08, 2023.*

*#Appointed w.e.f. March 03, 2023 appointed as Additional Director.*

### **Terms and conditions of employment of our Directors**

#### **Executive Directors:**

|                                                                                                     |                                |
|-----------------------------------------------------------------------------------------------------|--------------------------------|
| Name                                                                                                | Mr. Vishesh Handa              |
| Designation                                                                                         | Chairman and Managing Director |
| Remuneration per annum<br>(including basic salary, perquisites,<br>allowances but excluding bonus.) | ₹ 120 Lakhs                    |
| Tenure of his appointment                                                                           | 5 years w.e.f. May 04, 2023    |

There is no definitive and /or service agreement that has been entered into between our Company and the Mr. Vishesh Handa in relation to his appointment.

|                                                                                                     |                              |
|-----------------------------------------------------------------------------------------------------|------------------------------|
| Name                                                                                                | Mr. Mukunda Raghavendra      |
| Designation                                                                                         | Whole-Time Director          |
| Remuneration per annum<br>(including basic salary, perquisites,<br>allowances but excluding bonus.) | ₹ 120 Lakhs                  |
| Tenure of his re-appointment                                                                        | 5 years w.e.f. June 08, 2023 |

There is no definitive and /or service agreement that has been entered into between our Company and the Mr. Mukunda Raghavendra in relation to his appointment.

The termination clause of the appointment letter includes a condition for termination or discontinuation of service after giving a notice of a specified period and any deficiency on notice period will be compensated proportionately to the compensation cost at that point and time. Accordingly, no separate agreement providing for benefits upon termination of employment is executed.

Our Company has not entered into any contract appointing or fixing the remuneration of a Director in the last 2 years.

The above said remuneration and perquisites are subject to the ceiling laid down in Section 197 and Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, as may be amended from time to time.

#### **Sitting fees**

Our AOA provides for payment of such amount of sitting fees, as the Directors may determine, from time to time, for attending every meeting of our Board or any committee of our Board, subject to the ceiling prescribed under the Companies Act 2013. Our Board of Directors have resolved in their meeting dated June 06, 2023 for payment of ₹50,000 per quarter (including reimbursement of travel and other incidental expenses) for attending all the board and committees meetings to be held during the quarter to all the Independent Directors of our Company for attending such meeting of our Board thereof.

Further no sitting fees has been paid by our Company to our Non-Executive Non-Independent Directors and Non-Executive Independent Director for the Financial Year ended March 31, 2023.

#### **Bonus or profit-sharing plan for our Directors**

As on the date of this Red Herring Prospectus, our Company does not have any bonus or profit-sharing plan for our Directors.

#### **Shareholding of Directors in our Company**

Our AOA does not require our Directors to hold qualification shares.

The shareholding of our Directors in our Company as of the date of filing this Red Herring Prospectus is set forth below:

| Sr. No.      | Name                    | Number of Equity Shares of ₹ 5/- each | % of the pre-Issue Capital |
|--------------|-------------------------|---------------------------------------|----------------------------|
| 1.           | Mr. Vishesh Handa       | 2,12,03,690                           | 89.51                      |
| 2.           | Mr. Mukunda Raghavendra | 11,16,062                             | 4.71                       |
| 3.           | Mrs. Ankita Handa       | 62                                    | Negligible                 |
| <b>Total</b> |                         | <b>2,23,19,814</b>                    | <b>94.23</b>               |

### Interest of our Directors

#### a) Interest by way of Remuneration from our Company

All the Directors may be deemed to be interested to the extent of remuneration, sitting fees and reimbursement of expenses payable to them under the AOA, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors are interested to the extent of unsecured loans or personal guarantee, 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 are also 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 and for the details of Personal Guarantee given by Directors towards financial facilities of our Company please refer to section titled '*Financial Indebtedness*' and '*Financial Information*' beginning on page 223 and 173 respectively of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding 2 years from the date of the Red Herring Prospectus in which the Directors are interested directly or indirectly.

Except as stated in this section titled '*Our Management*' or the section titled '*Financial Information*' - Related Party Transactions beginning on pages 145 and 173 respectively of this Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

For details, refer '*Our Management* - Remuneration/ Compensation/ Commission paid to our Directors' as beginning on page 145 of this Red Herring Prospectus.

#### b) Interest as Members of our Company

Our Directors may also be regarded as interested in the Equity Shares, if any, that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and/ or trustees pursuant to this Issue. Such Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

#### c) Interest in promotion or formation of our Company

None of our Directors have any interests in the promotion or formation of our Company.

For further details, please refer to section titled '*Our Promoters and Promoter Group*' as beginning on page 165 of this Red Herring Prospectus.

#### d) Interest in the property of our Company

None of our Directors have any interest in any property acquired or proposed to be acquired of or by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Red Herring Prospectus.

For further details, please refer ‘*Immovable Properties*’ as described in section title ‘*Our Business*’ beginning on page 119 and ‘*Related Party Transactions*’ as described on page 171, of this Red Herring Prospectus.

**e) Interest in the business of our Company**

Except as stated in ‘*Financial Information*’ beginning on page 173, our Directors do not have any interests in our business.

**f) Interest as creditors of our Company**

Our Directors are interested to the extent of unsecured loans or personal guarantee, 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 are also 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/ partner. For the details of personal guarantee given by Directors towards financial facilities of our Company please refer to ‘*Financial Indebtedness*’ and ‘*Financial Information*’ beginning on pages 223 and 213 respectively of this Red Herring Prospectus.

**g) Interest as Key Managerial Personnel of our Company**

Mr. Vishesh Handa, Chairman and Managing Director, Mr. Mukunda Raghavendra, Whole Time Director, Mr. Ashish Nirmal, Chief Financial Officer and Mrs. Poonam Jain, Company Secretary and Compliance Officer of our Company are the Key Managerial Personnel of our Company and may be deemed to be interested to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, 2013 and AOA of our Company and to the extent of Equity Shares that may be held by them in our Company. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. Other than disclosed above, no other Director is interested as Key Managerial Personnel of our Company. For further details, please refer to section titled ‘*Related Party Transactions*’ and section titled ‘*Financial Information*’ beginning on page 171 and 173 of this Red Herring Prospectus.

**h) Other indirect interest**

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

All the 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 which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

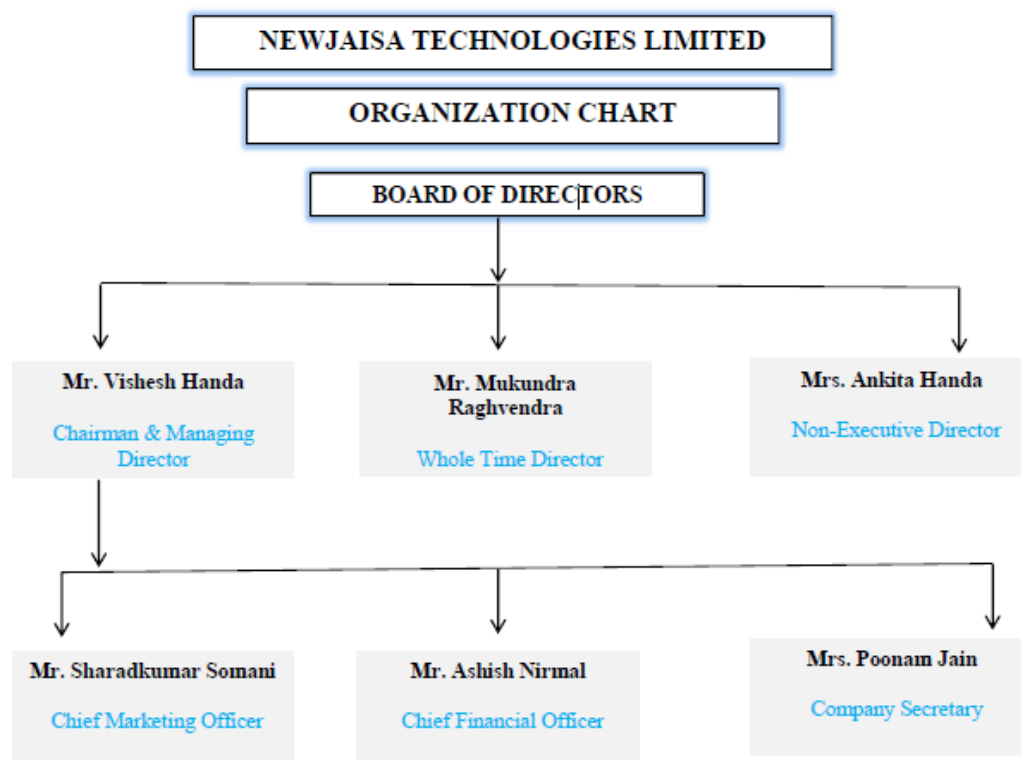
**Changes in our Board during the last 3 years**

Except as disclosed below, there have been no changes in our Board during the last 3 years.

| Name                    | Date of Appointment/<br>Change/ Cessation w.e.f. | Reason                                          |
|-------------------------|--------------------------------------------------|-------------------------------------------------|
| Mr. Vishesh Handa       | March 16, 2021                                   | Appointed as an Additional Director             |
|                         | July 01, 2021                                    | Resigned                                        |
|                         | September 01, 2021                               | Appointed as an Additional Director             |
|                         | November 30, 2021                                | Change in designation to Director               |
|                         | May 04, 2023                                     | Change in designation to Managing Director      |
| Mrs. Ankita Handa       | January 13, 2023                                 | Appointed as an Additional Director             |
|                         | May 04, 2023                                     | Appointed as an Executive Director              |
|                         | June 08, 2023                                    | Change in designation to Non-Executive Director |
| Mr. Mukunda Raghavendra | March 03, 2023                                   | Appointed as an Additional Director             |
|                         | May 04, 2023                                     | Appointed as Executive Director                 |
|                         | June 08, 2023                                    | Change in designation to Whole-Time Director    |

|                    |                    |                                      |
|--------------------|--------------------|--------------------------------------|
| Mrs. Sukriti Vijay | September 01, 2021 | Resigned                             |
| Mrs. Prathibha     | February 10, 2023  | Resigned                             |
| Mr. Gaurav Jindal  | June 08, 2023      | Appointed as an Independent Director |
| Mr. Purav D Shah   | June 08, 2023      | Appointed as an Independent Director |

## ORGANISATION STRUCTURE



## Corporate governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations and SEBI ICDR Regulations, as may be applicable, will also be complied with to the extent applicable to our Company immediately upon the listing of the Equity Shares on the Designated Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and Committees thereof.

The Corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Red Herring Prospectus, there are 5 (five) Directors on our Board out of which 2 (two) are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, SEBI ICDR Regulations, the Listing Agreement and the Companies Act, 2013.

### **Committees of our Board**

Our Board has constituted committees to delegate certain powers as permitted under the Companies Act, 2013.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees

- a) Audit Committee
- b) Stakeholders' Relationship Committee
- c) Nomination and Remuneration Committee
- d) IPO Committee
- e) Internal Complaints Committee

The details of the committees constituted are as follows:

#### **a. Audit Committee**

Our Company has constituted an Audit Committee, as per section 177 of the Companies Act, 2013 vide resolution passed at the meeting of our Board held on July 03, 2023.

The committee presently comprises the following 3 Directors:

| <b>Name of Director</b> | <b>Status in Committee</b> | <b>Nature of Directorship</b> |
|-------------------------|----------------------------|-------------------------------|
| Mr. Purav D Shah        | Chairman                   | Independent Director          |
| Mr. Gaurav Jindal       | Member                     | Independent Director          |
| Mrs. Ankita Handa       | Member                     | Non-Executive Director        |

The Company Secretary of our Company shall act as the secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of the Audit Committee in accordance with Section 177 of the Companies Act, 2013.

The Audit Committee shall have the following powers/ responsibilities:

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employee;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee not limited but shall include the following:

- i. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. 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;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;

- g. Qualifications in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- vi. 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- viii. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- ix. 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.
- x. Discussion with internal auditors any significant findings and follow up there on.
- xi. 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.
- xii. 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.
- xiii. 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.
- xiv. To review the functioning of the Whistle Blower mechanism.
- xv. Approval of appointment of chief financial officer (or the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- xvi. Approval or any subsequent modification of transactions with related parties.
- xvii. Scrutiny of inter-corporate loans and investments.
- xviii. Valuation of undertakings or assets of our Company, whenever necessary.
- xix. Evaluation of internal financial controls and risk management systems.
- xx. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc.
- xxi. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the chief internal auditor, peer review auditor, if any.
- vi. Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
  - b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The chairman of the Audit Committee has to attend the Annual General Meetings of our Company to provide clarifications on matters relating to the audit.

### **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. Stakeholders' Relationship Committee***

Our Company has constituted a “*Stakeholders' Relationship Committee*” to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of our Board held on July 03, 2023.

The Stakeholders' Relationship Committee comprises:

| <b>Name of Director</b> | <b>Status in Committee</b> | <b>Nature of Directorship</b> |
|-------------------------|----------------------------|-------------------------------|
| Mr. Purav D Shah        | Chairman                   | Independent Director          |
| Mr. Gaurav Jindal       | Member                     | Independent Director          |
| Mrs. Ankita Handa       | Member                     | Non-Executive Director        |

The Company Secretary of our Company shall act as the secretary of the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

#### **i. Tenure**

The Stakeholder's 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 Stakeholder's Relationship Committee as approved by the Board.

#### **ii. Role of the Stakeholders' Relationship Committee**

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Review statutory compliances relating to all shareholders.
2. Resolution of grievances of the shareholders.
3. Oversight of compliances in respect of dividend payment and transfer of unclaimed amounts to the Investor Education and Protection Fund.
4. Oversight of the performance of the Registrars and Transfer Agents.
5. Review of movements in shareholding and ownership structure of our Company.
6. Recommend measures for improvement of quality of investor services.
7. Conduct a Shareholder Satisfaction Survey to assess shareholders' views.
8. Suggest and drive implementation of various shareholder-friendly initiatives.

### ***c. Nomination and Remuneration Committee***

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved at a Meeting of our Board held on July 03, 2023. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

| <b>Name of Director</b> | <b>Status in Committee</b> | <b>Nature of Directorship</b> |
|-------------------------|----------------------------|-------------------------------|
| Mr. Purav D Shah        | Chairman                   | Independent Director          |
| Mr. Gaurav Jindal       | Member                     | Independent Director          |
| Mrs. Ankita Handa       | Member                     | Non-Executive Director        |

The Company Secretary of our Company shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

**i. Tenure**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**ii. Role of the Nomination and Remuneration Committee not limited to but includes:**

1. 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.
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal
4. Formulation of criteria for evaluation of performance of independent directors and Board of Directors.
5. Devising a policy on diversity of Board of Directors.
6. Deciding on, 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.
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of our Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
9. Decide the amount of Commission payable to the Whole time Director / Managing Directors.
10. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of our Company, standards prevailing in the industry, statutory guidelines etc.
11. To formulate and administer the Employee Stock Option Scheme.

**d. IPO Committee**

The IPO Committee was constituted by our Board on July 07, 2023.

| Name of Director        | Status in Committee | Nature of Directorship |
|-------------------------|---------------------|------------------------|
| Mr. Vishesh Handa       | Chairman            | Managing Director      |
| Mr. Mukunda Raghavendra | Member              | Whole Time Director    |
| Mrs. Ankita Handa       | Member              | Non-Executive Director |

The Company Secretary of our Company shall act as the secretary to the IPO Committee.

The IPO Committee is also authorized to approve the following in connection to the initial public offering pursuant to a resolution passed by the Board on July 07, 2023.

The terms of reference of the IPO Committee include the following:

- i. To make applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Government of India, Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), Registrar of Companies, Karnataka at Bangalore ("RoC") or to any other statutory or governmental authorities in connection with the Issue as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.
- ii. To finalise, settle, approve, adopt and file the Red Herring Prospectus with the Stock Exchange and SEBI, the red herring prospectus and prospectus with the Stock Exchange and SEBI, Registrar of Companies,

Karnataka at Bangalore (the “RoC”), and other regulatory authorities (including the preliminary and final international wrap, and amending, varying, supplementing or modifying the same, or providing any notices, clarifications, reply to observations, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient), the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Issue as finalised by the Company, and take all such actions in consultation with the book running lead manager (the “BRLM”) as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/modifications as may be required by the SEBI, respective stock exchange where the Equity Shares are proposed to be listed, the RoC or any other relevant governmental and statutory authorities or otherwise under applicable laws;

- iii. To decide in consultation with the BRLM on the timing, pricing and all the terms and conditions of the Issue, including the price band, Issue price, Issue size, allocation/allotment to eligible persons pursuant to the Issue, including any anchor investors and to accept any amendments, modifications, variations or alterations thereto, and/or reservation on a competitive basis, and rounding off, if any, in the event of oversubscription and in accordance with Applicable Laws, and/or any discount to be offered to retail individual bidders participating in the Issue;
- iv. To appoint, instruct and enter into arrangements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters to the Issue, syndicate members to the Issue, brokers to the Issue, escrow collection bankers to the Issue, auditors, independent chartered accountants, refund bankers to the Issue, public Issue account bankers to the Issue, sponsor bank, registrar, grading agency, industry expert, legal advisors, advertising agency(ies), monitoring agency and any other agencies or persons or intermediaries to the Issue, including any successors or replacements thereof, and to negotiate and finalise and amend the terms of their appointment, including but not limited to execution of the mandate letters and Issue agreement with the BRLM, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
- v. To authorise the maintenance of a register of holders of the Equity Shares;
- vi. To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the BRLM’ mandate or fee/ engagement letter, Issue agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow agreement, agreements with the registrar of the Issue and the advertising agency(ies) and all other documents, deeds, agreements, memorandum of understanding and other instruments, legal advisors, auditors, Stock Exchange, BRLM and other agencies/ intermediaries in connection with Issue and any notices, supplements, addenda and corrigenda thereto, as may be required or desirable in relation to the Issue, with the power to authorise one or more officers of the Company to negotiate, execute and deliver any or all of the these documents;
- vii. To open with the bankers to the Issue such accounts as may be required by the regulations issued by SEBI and operate bank accounts opened separate in terms of the escrow agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Issue, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- viii. To seek, if required, the consent of the lenders to the Company and/or lenders to the subsidiary (if applicable), industry data provider, parties with whom the Company has entered into various commercial and other agreements, all concerned governmental and regulatory authorities in India or outside India and any other consents and/or waivers that may be required in relation to the Issue;
- ix. To approve any corporate governance requirements, if applicable that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the uniform listing agreement to be entered into by the Company with the stock exchange, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations, 2015, as amended, (given the proposed listing of the Company);

- x. To authorise and approve, the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and expenses in connection with the Issue;
- xi. To determine and finalise, in consultation with the BRLM, the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Issue and minimum bid lot for the purpose of bidding, (including anchor investors Issue price), any revision to the price band and the final Issue price after bid closure, total number of Equity Shares to be reserved for allocation to eligible investors, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, in consultation with the BRLM and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Issue including any alteration, addition or making any variation in relation to the Issue;
- xii. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on stock exchange, with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- xiii. To authorise and approve notices, advertisements in such newspapers and other media as it may deem fit and proper in relation to the Issue, in consultation with the relevant intermediaries appointed for the Issue in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), Companies Act, 2013;
- xiv. To do all such acts, deeds, matters and things and execute all such other documents, agreements, forms, certificates, undertakings, letters and instruments, as may deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;
- xv. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;
- xvi. To withdraw the draft red herring prospectus, red herring prospectus and the Issue at any stage, if deemed necessary, in accordance with the SEBI ICDR Regulations and Applicable Laws and in consultation with the BRLM;
- xvii. To negotiate, finalise, sign, execute, deliver and complete the Issue agreement, syndicate agreement, share escrow agreement, escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue and the advertising agency(ies) and all notices, offer documents (including draft red herring prospectus, red herring prospectus and prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto), in relation to the Issue.
- xviii. To make in-principle and final applications for listing of the Equity Shares in recognised stock exchange in India and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange;
- xix. To authorize and empower any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Issue and to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares, for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange, the registrar agreement and memorandum of understanding, the depositories' agreements, the Issue agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the share escrow

agreement, the escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.;

- xx. To determine the utilization of proceeds of the fresh Issue and accept and appropriate proceeds of the fresh Issue in accordance with the Applicable Laws;
- xxi. To determine the price at which the Equity Shares are offered, allocated, and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
- xxii. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company;
- xxiii. all actions as may be necessary in connection with the Issue, including extending the Bid/Issue period, revision of the Price Band, in accordance with the Applicable Laws;

#### ***e. Internal Complaints Committee***

The Internal Complaints Committee was constituted by our Board on July 07, 2023:

| <b>Name of Member</b> | <b>Status in Committee</b> | <b>Occupation/ Designation</b> |
|-----------------------|----------------------------|--------------------------------|
| Mrs. Ankita Handa     | Presiding Officer          | Non-Executive Director         |
| Ms. Ambika V          | Internal Member            | Quality Engineer               |
| Mrs. Shireen Banu     | Internal Member            | Quality Engineer               |
| Mrs. Muskan Ochani    | External Member            | Lawyer                         |

The Company Secretary of our Company shall act as the secretary to the Internal Complaints Committee.

#### **Role & Duties of the Internal Complaints Committee**

The Internal Complaints Committee is also authorized to approve the following in connection to the initial public offering pursuant to a resolution passed by the Board on July 07, 2023.

The role and duties of the committee will be following:

- 1) Redressal of complaints filed with fairness and without bias,
- 2) Redressal of complaints filed within the time period of 90 days
- 3) Awareness workshops/activities to educate all employees of the Company about: Sexual harassment at workplace, its effects and laws against it, Filing a complaint with the ICC.
- 4) Drafting and reviewing of Sexual Harassment Policy

#### **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 Designated Stock Exchange. We shall comply with the requirements of the Insider Trading Regulations on listing of Equity Shares on Designated Stock Exchange. Further, our Board at their meeting held on July 07, 2023 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Mrs. Poonam Jain, Company Secretary and 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.

## **II.Key Managerial Personnel and Senior Management Personnel**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013. For details of our Managing Director and Whole Time Directors, please refer to the section titled ‘*Our Management*’ beginning on page 145 of this Red Herring Prospectus.

### **Mr. Vishesh Handa, Chairman and Managing Director**

**Mr. Vishesh Handa**, a Chairman and Managing Director of our Company. For details, see ‘*Brief Biographies of Directors*’ beginning on page 145 of this Red Herring Prospectus. For details of compensation paid to him during Financial Year 2023, see ‘*Terms of appointment of Directors*’ beginning on page 145 of this Red Herring Prospectus.

### **Mr. Mukunda Raghavendra, Whole Time Director**

**Mr. Mukunda Raghavendra**, is the Whole Time Director of our Company. For details, see ‘*Brief Biographies of Directors*’ beginning on page 145 of this Red Herring Prospectus. For details of compensation paid to him during Financial Year 2023, see ‘*Remuneration/ compensation/ commission paid to our Directors*’ beginning on page 145 of this Red Herring Prospectus.

### **Mr. Ashish Nirmal, Chief Financial Officer:**

**Mr. Ashish Nirmal** aged 32 years is the Chief Financial Officer of our Company. He is a qualified Chartered Accountant from the ICAI and has been appointed as Chief Financial Officer in our Company w.e.f. June 06, 2023. He has work experience of 7 years in financial functions. Prior to joining the Company, he was associated with Great Lakes E- Learning Services Private Limited as Assistant Finance Manager, Classic Civil Engineers Private Limited as Senior Manager, Finance, and Gozing Technology Private Limited as Finance Head.

### **Mrs. Poonam Jain, Company Secretary and Compliance Officer**

**Mrs. Poonam Jain**, aged 33 years is the Company Secretary and Compliance Officer of our Company. She holds a bachelor’s degree in commerce from University of Kota, Kota and a master’s degree in commerce from University of Kota, Kota. She is also an associate member of ICSI. She has work experience of 4 years in secretarial functions. Prior to joining the Company, she was associated with Rajesh Gupta and Co as Manager, M/s Saket Kalani and Associates, Chartered Accountant as Manager and Banthia S & Co, Chartered Accountant as Manager. She has been appointed as Company Secretary and Compliance Officer in our Company w.e.f. May 02, 2023.

## **SENIOR MANAGEMENT PERSONNEL**

**Mr. Sharadkumar Somani**, aged 45 years is Chief Marketing Officer of the Company. He holds a Bachelor’s degree in Engineering in Electronic and Communication from the University of Rajasthan, Jaipur and a post graduate diploma in management for executives from Indian Institute of Management, Calcutta. He has several years of experience in the field of consultancy and marketing at TCS and Electra Card Services Pvt Ltd respectively. He has been associated with our Company since July 15, 2023.

### **Status of Key Managerial Personnel and Senior Management Personnel**

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

### **Relationship between Key Managerial Personnel and Senior Management Personnel**

Except Vishesh Handa and Ankita Handa, none of the above-mentioned Key Managerial Personnel and Senior

Management Personnel are related to each other within the meaning of Section 2(77) of the Companies Act, 2013 and neither are they related to our Directors.

#### **Relationship of our Directors/ and Promoters with Key Managerial Personnel and Senior Management Personnel**

Except Vishesh Handa and Ankita Handa, none of our Key Managerial Personnel and Senior Management Personnel of our Company are related to our Directors/ and Promoters within the meaning of Section 2 (77) of the Companies Act, 2013.

#### **Shareholding of the Key Managerial Personnel and Senior Management Personnel**

As on date of this Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares of our Company. For details of shareholding of Mr. Vishesh Handa and Mr. Mukunda Raghavendra, see “– *Shareholding of Directors in our Company*” beginning on page 145 of this Red Herring Prospectus.

Further, some of our Key Managerial Personnel Senior Management Personnel have been provided employee stock options under the Newjaisa ESOP Scheme 2023.

For details of our employee stock options, please refer to the section titled ‘*Capital Structure*’ beginning on page 68 of this Red Herring Prospectus.

#### **Remuneration/ compensation paid to our Key Managerial Personnel and Senior Management Personnel**

As on the date of this Red Herring Prospectus, except as mentioned below, our Company has not paid any remuneration / compensation to the Key Managerial Personnel and Senior Management Personnel during the last Financial Year for year ended March 31, 2023.

| <b>Sr. No.</b> | <b>Name</b>                          | <b>Remuneration paid (₹. In Lakhs)</b> |
|----------------|--------------------------------------|----------------------------------------|
| 1.             | Mr. Vishesh Handa                    | 20.00                                  |
| 2.             | Mr. Mukunda Raghavendra              | 19.00                                  |
| 3.             | Mr. Ashish Nirmal                    | Nil <sup>(1)</sup>                     |
| 4.             | Mrs. Poonam Jain                     | Nil <sup>(1)</sup>                     |
| 5.             | Mr. Sharadkumar Somani               | Nil <sup>(1)</sup>                     |
|                | <b>Total Managerial Remuneration</b> | 39.00                                  |

<sup>(1)</sup> Appointment of Key Managerial Personnel and Senior Management Personnel made after March 31, 2023.

#### **Bonus or profit-sharing plan for our Key Managerial Personnel and Senior Management Personnel**

As on the date of this Red Herring Prospectus, our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel and Senior Management Personnel.

#### **Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel**

As on the date of this Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management Personnel have received or is entitled to any contingent or deferred compensation.

#### **Loans given/ availed by Key Managerial Personnel**

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer section titled “*Financial Indebtedness*” page 223 of this Red Herring Prospectus.

#### **Service contracts with Key Managerial Personnel and Senior Management Personnel**

Other than statutory benefits upon termination of the employment in our Company on retirement, none of the Key

Managerial Personnel and Senior Management Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

### **Interest of Key Managerial Personnel and Senior Management Personnel**

Our Key Managerial Personnel and Senior Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Our Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held in our Company, if any. Further, some of our Key Managerial Personnel and Senior Management Personnel have been provided employee stock options under the Newjaisa ESOP Scheme 2023. For details of our employee stock options, please refer to the section titled '*Capital Structure*' beginning on page 68 of this Red Herring Prospectus.

Except as disclosed in this Red Herring Prospectus, none of our Key Managerial Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the section titled '*Related Party Transactions*' and '*Financial Information*' beginning on pages 173 and 173 of this Red Herring Prospectus and described herein above, Our Key Managerial Personnel do not have any other interest in the business of our Company.

### **Changes in Key Managerial Personnel and Senior Management Personnel in the last 3 years**

Other than as mentioned below, there has been no change to our Key Managerial Personnel and Senior Management Personnel since the incorporation of our Company.

For details of changes in our Managing Director and Whole Time Directors during the last 3 years, please refer to section titled '*Our Management*' beginning on page 145 of this Red Herring Prospectus.

Set forth below are the changes in our Key Managerial Personnel and Senior Management Personnel in the last 3 (three) years immediately preceding the date of this Red Herring Prospectus:

| <b>Name</b>             | <b>Date of change w.e.f.</b> | <b>Reason</b>                                   |
|-------------------------|------------------------------|-------------------------------------------------|
| Mr. Vishesh Handa       | May 04, 2023                 | Appointed as the Chairman and Managing Director |
| Mr. Mukunda Raghavendra | June 08, 2023                | Appointed as the Whole-Time Director            |
| Mr. Ashish Nirmal       | June 06, 2023                | Appointed as the Chief Financial Officer        |
| Mrs. Poonam Jain        | May 02, 2023                 | Appointed as the Company Secretary              |
| Mr. Sharadkumar Somani  | July 15, 2023                | Appointed as the Chief Marketing Officer        |

### **Payment of benefit to officers of our Company**

Except as stated in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in preceding 2 years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the section titled '*Financial Information*' beginning on page 173 of this Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, our Key Managerial Personnel or our Promoter.

### **Arrangements and understanding with major shareholders, customers, suppliers or others**

None of our Key Managerial Personnel or members of senior management have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer to section titled '*History and Certain Other Corporate Matters*' beginning on page 140 of this Red Herring Prospectus.

### **Employees Stock Option Scheme for employees**



Our Company pursuant to the resolutions passed by our Board on July 03, 2023 and shareholders on July 06, 2023, adopted the Newjaisa ESOP Scheme 2023 and approved to issue and grant an aggregate number of up to 16,09,174 employee stock options under the Newjaisa ESOP Scheme 2023 i.e. 6.79% of the existing paid-up Equity Share capital of our Company, which is in accordance with the SEBI SBEBSE Regulations.

For details of our employee stock options, please refer to the section titled '*Capital Structure*' beginning on page 68 of this Red Herring Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Mr. Vishesh Handa and Mr. Mukunda Raghavendra. As on the date of this Red Herring Prospectus, 2,12,03,690 Equity Shares of ₹ 5/- each are held by Mr. Vishesh Handa and 11,16,062 Equity Shares of ₹ 5/- each are held by Mr. Mukunda Raghavendra, representing 94.23% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of our Promoters' shareholding in our Company, please refer to the section titled 'Capital Structure' beginning on page 68 of this Red Herring Prospectus.

### Brief Profile of our Promoters

| 1. Mr. Vishesh Handa.                                                               |                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | <b>Mr. Vishesh Handa</b> , aged 46 years, is one of the Promoter of our Company and is also the Managing Director, and the Chairman of our Board. He has associated with our Company as a Director since September 01, 2021.                                                                         |
|                                                                                     | <b>Age:</b> 46 years                                                                                                                                                                                                                                                                                 |
|                                                                                     | <b>Date of Birth:</b> May 05, 1977.                                                                                                                                                                                                                                                                  |
|                                                                                     | <b>Personal Address:</b> Villa 71, Villa Scapes, Osman Sagar Road, Gandipet, K V Rangareddy, Telangana - 500075.                                                                                                                                                                                     |
|                                                                                     | <b>PAN:</b> AATPH1690L                                                                                                                                                                                                                                                                               |
|                                                                                     | <b>Driving License:</b> TS00720210024382                                                                                                                                                                                                                                                             |
|                                                                                     | <b>Nationality:</b> Indian                                                                                                                                                                                                                                                                           |
|                                                                                     | <b>Passport No:</b> P7051219                                                                                                                                                                                                                                                                         |
|                                                                                     | For the complete profile of Mr. Vishesh Handa, along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships, special achievements, his business and financial activities, see section titled 'Our Management' on page 145.       |
| 2. Mr. Mukunda Raghavendra.                                                         |                                                                                                                                                                                                                                                                                                      |
|  | <b>Mr. Mukunda Raghavendra</b> , aged 51 years, is one of the Promoter of our Company and is also Whole-Time Director of our Board. He has associated with our Company as a Director since March 03, 2023.                                                                                           |
|                                                                                     | <b>Age:</b> 51 years                                                                                                                                                                                                                                                                                 |
|                                                                                     | <b>Date of Birth:</b> September 06, 1972.                                                                                                                                                                                                                                                            |
|                                                                                     | <b>Personal Address:</b> B-12 SBI Colony 40 <sup>th</sup> Main J P Nagar, 1 <sup>st</sup> Phase Bangalore, South Bangalore, Karnataka 560078.                                                                                                                                                        |
|                                                                                     | <b>PAN:</b> AFCPR5516F                                                                                                                                                                                                                                                                               |
|                                                                                     | <b>Driving License:</b> KA0219980008292                                                                                                                                                                                                                                                              |
|                                                                                     | <b>Nationality:</b> Indian                                                                                                                                                                                                                                                                           |
|                                                                                     | <b>Passport No:</b> R0298897                                                                                                                                                                                                                                                                         |
|                                                                                     | For the complete profile of Mr. Mukunda Raghavendra, along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships, special achievements, his business and financial activities, see section titled 'Our Management' on page 145. |

**Confirmations/ Declarations:**

We declare and confirm that the details of PAN, passport, driving license, Aadhaar card and bank account number of our Promoters will be submitted to the NSE where the Equity Shares are proposed to be listed at the time of filing this Red Herring Prospectus.

**Interests of Promoters****Interest in promotion of our Company**

Our Promoters are interested in our Company to the extent of their respective equity shareholding and the shareholding of their relatives in our Company, for which they are entitled to receive the declared dividend, and other distribution in respect of the Equity Shares held by them or their relatives that may be made by our Company in the future, to the extent that our Company have undertaken transactions or business arrangements with our Promoters, or their relatives or entities in which our Promoters hold shares or entities in which our Promoters are members of the board of directors or firms in which relatives of our Promoters hold interest; or to the extent that their relatives are employees of our Company and are paid remuneration by our Company and to the extent reimbursement of expenses payable by our Company. For details pertaining to our Promoters' shareholding, please refer the sections titled '*Capital Structure*' and '*Our Management*' on pages 68 and 145, respectively of this Red Herring Prospectus.

Our Promoters are also interested in our Company to the extent of the unsecured loans extended by our Promoters and other related parties to our Company. For further details, see "*Financial Information* - Restated Financial Information - Notes to Restated Financial Information – Note Annexure XXXVII" on page 173.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to any firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a directors, promoters or otherwise for services rendered by such Promoters or by such firm or company, in connection with the promotion or formation of our Company.

**Interest in the property, land, construction of building, supply of machinery, etc.**

Except as mentioned in the section titled '*Our Business*', our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 3 years before the date of this Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

**MATERIAL GUARANTEES GIVEN TO THIRD PARTIES**

As on the date of this Red Herring Prospectus, none of our Promoters have given material guarantees to the third party(ies) with respect to the Equity Shares of our Company.

**Payment or Benefits to Promoters or Promoter Group in the Last 2 Years**

Except as stated in the sections titled '*Our Management*' and in '*Related Party Transactions*' forming part of "*Financial Information*" beginning on pages 145, and 171 there has been no amounts paid or benefits granted by our Company to our Promoters or any of the members of the Promoter Group in the preceding 2 years nor there are any intention to pay any amount or provide any benefit to our Promoters or Promoter Group as on the date of this Red Herring Prospectus.

**Litigation Involving Our Promoters**

For details relating to legal and regulatory proceedings involving the Promoters, please refer to the section titled

‘*Outstanding Litigations and Material Developments*’ beginning on page 226 of this Red Herring Prospectus.

### **Change in the Control of our Company**

Our Promoters are not the original Promoters of our Company. Other than as disclosed below, there has been no change in control of our Company in the last five years:

On February 18, 2022, Mrs. Sukriti Vijay (initial subscriber to MOA) transferred 2,88,000 Equity Shares of our Company to Mr. Vishesh Handa by way of gift. Further on February 10, 2023, Mrs. Prathibha (initial subscriber to MOA) transferred 54,000 Equity Shares of our Company for a consideration of ₹ 71.39/- each Equity Share to Mr. Vishesh Handa, thereby transferring control of our Company. For details see section titled “*Capital Structure – Build-up of our Promoter’s Equity Shareholding in our Company*” on page 68.

On June 19, 2023, Mrs. Prathibha (initial subscriber to MOA) transferred 18,000 Equity Shares of our Company by way of gift to Mr. Mukunda Raghavendra, thereby transferring control of our Company. For details see section titled “*Capital Structure – Build-up of our Promoter’s Equity Shareholding in our Company*” on page 68.

Additionally, pursuant to a resolution passed by the Board of Directors dated July 07, 2023, Mr. Vishesh Handa and Mr. Mukunda Raghavendra have been identified as Promoters. Accordingly, as on the date of this Red Herring Prospectus, our Company has two Promoters.

### **Other ventures of our Promoters**

Except as disclosed above and in “*Our Management*” beginning on page 145, our Promoters are not involved in any other venture.

### **Our Promoter Group**

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

#### **(a) Natural persons who are part of the Promoter Group**

| <b>Name of the Promoter</b> | <b>Name of the relative</b> | <b>Relationship with the Promoter</b> |
|-----------------------------|-----------------------------|---------------------------------------|
| Mr. Vishesh Handa           | Ankita Handa                | Spouse                                |
|                             | Kiran Handa                 | Mother                                |
|                             | Arun Handa                  | Father                                |
|                             | Ankur Handa                 | Brother(s)                            |
|                             | Miss Inaaya Handa           | Daughter(s)                           |
|                             | Miss Ishita Handa           | Daughter(s)                           |
|                             | Rashmi Varma                | Spouse's Mother                       |
|                             | Vijay Kumar Ramteke         | Spouse's Father                       |
|                             | Sukriti Vijay               | Spouse's Sister(s)                    |
| Mr. Mukunda Raghavendra     | Prathibha                   | Spouse                                |
|                             | Srilatha Rao                | Mother                                |
|                             | Raghavendrarao H V          | Father                                |
|                             | Vasudha Ramesh              | Sister(s)                             |
|                             | Neeraja R                   | Sister(s)                             |
|                             | Raghava M                   | Son(s)                                |
|                             | Rajalakshmi Gururajan       | Spouse Mother                         |
|                             | Meera G                     | Spouse Sister(s)                      |
|                             | G Sriram                    | Spouse Brother(s)                     |
|                             | Guru Prasad G               | Spouse Brother(s)                     |

Certain relatives of our Promoters viz. Miss Inaaya Handa and Miss Ishita Handa are not holding PAN since they are minor :

| Name of the Promoter | Name of the relative | Relationship with the Promoter | No. of Shares held in the Company | Year of Birth |
|----------------------|----------------------|--------------------------------|-----------------------------------|---------------|
| Mr. Vishesh Handa    | Miss Inaaya Handa    | Daughter(s)                    | NIL                               | 2013          |
|                      | Miss Ishita Handa    | Daughter(s)                    | NIL                               | 2014          |

(b) *Bodies corporate / Entities forming part of the Promoter Group*

| Sr. No. | Nature of Relationship                                                                                                                                                                                                         | Name of the Promoter Entities/Company                                                                                    |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| 1.      | Any body corporate in which 20% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member | <ul style="list-style-type: none"> <li>• Vanshya Enterprises LLP</li> <li>• Newjaisa Edutech Ujwal Foundation</li> </ul> |
| 2.      | Any company in which a company mentioned in (1) above, holds 20% or more, of the equity share capital                                                                                                                          | Nil                                                                                                                      |
| 3.      | Any HUF or trust or firm in which the aggregate share of the Promoter and his immediate relatives is equal to or more than 20% of the total                                                                                    | Nil                                                                                                                      |

**Relationship of our Promoters with our Directors**

Except as stated below, none of our Promoters are related to any of our Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

| Sr. No | Name of Promoters       | Directors         | Relationship |
|--------|-------------------------|-------------------|--------------|
| 1.     | Mr. Vishesh Handa       | Mrs. Ankita Handa | Husband-Wife |
| 2.     | Mr. Mukunda Raghavendra |                   | Nil          |

**COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST 3 YEARS**

Except as stated below, Our Promoters have not disassociated themselves from any companies or firms during the preceding 3 years from the date of filing of this Red Herring Prospectus.

| Sr. No. | Promoter                | Name of entity from which disassociated. | Date of disassociation | Reason/ circumstances and terms of disassociation |
|---------|-------------------------|------------------------------------------|------------------------|---------------------------------------------------|
| 1.      | Mr. Vishesh Handa       | Salori E-Commerce Private Limited        | September 30, 2020     | Resignation                                       |
| 2.      | Mr. Mukunda Raghavendra |                                          | Nil                    |                                                   |

**Common Pursuits/Conflict of Interest**

As on the date of this Red Herring Prospectus, our Company does not have any subsidiary company, any associate company, any group company. Our Promoters do not have any interests in any venture that is involved in any activities similar to those conducted by our Company.

**Confirmations**

Our Promoters, members of our Promoter Group, Promoter Group entities/ companies confirm that:

- They have not been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed for any reasons by the

SEBI or any other authority or governmental authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad;

- They have not been declared as a Fugitive Economic Offender under Section 12 of Fugitive Economic Offenders Act, 2018;
- They are not a promoters, directors or person in control of any other company which is debarred or prohibited from accessing or operating in the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority;
- They have not been identified as a wilful defaulter by RBI or any other Government authority; and
- There are no violations of securities laws committed by them in the past or any such proceedings are pending against them.
- Except as disclosed in section titled '*Outstanding Litigations and Material Developments*' beginning on page 226 of this Red Herring Prospectus, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 years preceding the date of the Issue against our Promoters.
- Except as disclosed in section titled '*Financial Information*' beginning on page 173 of this Red Herring Prospectus, we are not related to any of the sundry debtors or are not beneficiary of Loans and Advances given by/to our Company.

## **OUR GROUP COMPANIES**

In accordance with the provisions of SEBI ICDR Regulations, for the purpose of identification of Group Company, our Company has considered those companies as our Group Company 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 other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated July 07, 2023 for the purpose of disclosure in relation to Group Company in connection with the Issue, a company shall be considered material and disclosed as a Group Company if such company fulfils 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 2018; and
- (ii) Where the Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Based on the above, there are no companies which are identified to be group company.

## **RELATED PARTY TRANSACTIONS**

For details on related party transactions of our Company, please refer “Annexure XXVIII - Details of *Related Party Transactions as Restated*” under section titled “*Restated Financial Statements*” beginning on Page 173 of this Red Herring Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, 2013 a 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 AoA of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by our Board of Directors.

The AoA 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.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

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 and/or paid any dividend on Equity Shares since its incorporation.

## SECTION IX: FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENTS

The separate audited financial statements for the past financial years immediately preceding the date of the Red Herring Prospectus of our Company have been made available on the website of the Company at [https://cdn.shopify.com/s/files/1/0571/1996/5366/files/Restated\\_Financials\\_with\\_Examination\\_report\\_compressed.pdf?v=1690876650](https://cdn.shopify.com/s/files/1/0571/1996/5366/files/Restated_Financials_with_Examination_report_compressed.pdf?v=1690876650)



# Abhilashi & Co.

Chartered Accountants

### Independent Auditor's Report on Restated Financial Statements

Date: 17.07.2023

To  
The Board of Directors  
Newjaisa Technologies Limited  
Formerly Known as Newjaisa Technologies Private Limited  
207/B2, 2nd Cross Road J.C Industrial Estate,  
Bikasipura Main Road Off Kanakpura road,  
Bangalore Yelachenahalli,  
Bangalore South Bangalore  
Karnataka 560078, India

1. We, M/S. Abhilashi & Co., 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 which is valid till April 30, 2026. We have examined the attached restated financial information of **Newjaisa Technologies Private Limited (Formerly Known as Newjaisa Technologies Private Limited) (hereinafter referred to as "the Company")** comprising the restated statement of assets and liabilities as at **March 31, 2023, 2022 and 2021**, restated statement of profit and loss and restated cash flow statement for the financial period/year ended on March 31, 2023, 2022 and 2021 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the "restated financial information" or "restated financial statements") annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on NSE Emerge ("IPO" or "SME IPO") of National Stock Exchange of India Limited ("NSE") of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) Section 26 of Part - I of Chapter III of Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI");
  - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note")
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Prospectus / Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), NSE and Registrar of Companies (Bangalore) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

#### JALANDHAR OFFICE:

\*Shop No. 4, Opp. Hotel Sky Lark, Near Income Tax Office, Jalandhar City  
Ph: 0181-4656528, 9855056528 email: abhilashi.inderjit@gmail.com  
\* 296, New Jawahar Nagar, Jalandhar

#### CHANDIGARH:

\*3110, Sector 40-D, Chandigarh-160036, Ph: 0172-2640546



# Abhilashi & Co.

Chartered Accountants

have examined such Restated Financial Statements taking into consideration:

- (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, In connection with the proposed SME IPO;
- (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;
- (iv) 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.

- 5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the period/year ended on March 31, 2023, 2022 and 2021.
- 6. Audit for the financial period/year ended on March 31, 2023 was conducted by us and Audit for financial period/year ended on March 31, 2022 and 2021 is not conducted by us. There are no audit qualifications in the audit report issued by us which would require adjustments in the Restated Financial Statements of the Company. The Company has revised accounting policy for provisioning of Gratuity and to give an impact retrospectively the same has been restated in Restated Financial Statements. The financial report included for these period/years is based solely on the report submitted by us.
- 7. Based on our examination and according to Information and explanations given to us, we are of the opinion that the Restated Financial Statements:
  - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial period/year ended on March 31, 2023, 2022 and 2021.
  - b) do not require any adjustment for modification except for the adjustment on account of Provision for Gratuity and Deferred Tax with respect to the same;
  - c) there are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
- 8. In accordance with the requirements of the Act Including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
  - (i) The "restated statement of asset and liabilities" of the Company as at March 31, 2023, 2022 and 2021 examined by us, as set out in Annexure I to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited

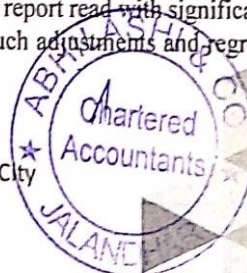
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financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

- (ii) The "restated statement of profit and loss" of the Company for the financial period/year ended on at March 31, 2023, 2022 and 2021 examined by us, as set out in Annexure II to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (iii) The "restated statement of cash flows" of the Company for the financial period/year ended on at March 31, 2023, 2022 and 2021 examined by us, as set out in Annexure III to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
9. 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 financial period/year ended as on March 31, 2023, 2022 and 2021 proposed to be included in the Draft Prospectus / Prospectus ("Offer Document").

## **Annexure to Restated Financial Statements of the Company: -**

- (i) Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
- (ii) Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
- (iii) Summary statement of cash flows as restated as appearing in ANNEXURE III;
- (iv) Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and net worth as appearing in ANNEXURE IV;
- (v) Details of share capital as restated as appearing in ANNEXURE V to this report;
- (vi) Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
- (vii) Details of deferred tax liabilities as restated as appearing in ANNEXURE VII to this report;
- (viii) Details of short-term borrowings as restated as appearing in ANNEXURE VIII to this report;
- (ix) Details of trade payables as restated as appearing in ANNEXURE IX to this report;
- (x) Details of other current liabilities as restated as appearing in ANNEXURE X to this report;
- (xi) Details of short-term provisions as restated as appearing in ANNEXURE XI to this report;

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*Chartered Accountants*

- (xii) Details of property, plant & equipment and Capital Work In Progress as restated as appearing in ANNEXURE XII to this report;
- (xiii) Details of Other Non-current assets as restated as appearing in ANNEXURE XIII to this report;
- (xiv) Details of inventories as restated as appearing in ANNEXURE XIV to this report;
- (xv) Details of trade receivables as restated as appearing in ANNEXURE XV to this report;
- (xvi) Details of cash and cash equivalents as restated as appearing in ANNEXURE XVI to this report;
- (xvii) Details of short-term loans and advances as restated as appearing in ANNEXURE XVII to this report;
- (xviii) Details of revenue from operations as restated as appearing in ANNEXURE XVIII to this report;
- (xix) Details of other income as restated as appearing in ANNEXURE XIX to this report;
- (xx) Details of cost of goods sold as restated as appearing in ANNEXURE XX to this report;
- (xxi) Details of employee benefit expenses as restated as appearing in ANNEXURE XXI to this report;
- (xxii) Details of finance costs as restated as appearing in ANNEXURE XXII to this report;
- (xxiii) Details of depreciation and amortization expense as restated as appearing in ANNEXURE XXIII to this report;
- (xxiv) Details of other expenses as restated as appearing in ANNEXURE XXIV to this report;
- (xxv) Details of Earning Per Share (EPS) as restated as appearing in ANNEXURE XXV to this report;
- (xxvi) Details of bifurcative other income as restated as appearing in ANNEXURE XXVI to this report;
- (xxvii) Details of contingent liabilities and commitments as restated as appearing in ANNEXURE XXVII to this report;
- (xxviii) Details of related party transactions as restated as appearing in ANNEXURE XXVIII to this report;
- (xxix) Summary of significant accounting ratios as restated as appearing in ANNEXURE XXIX to this report;
- (xxx) Earnings Per Share – Restated as appearing in ANNEXURE XXX to this report;
- (xxxi) Statement of Restatement Adjustments and Reconciliation of Profits as appearing in ANNEXURE XXXI to this report;
- (xxxii) Statement of Reconciliation of Balance Sheet Items as appearing in ANNEXURE XXXII to this report;
- (xxxiii) Statement of Previously Reported Financial Information as appearing in Annexure XXXIII to this Report;

## **JALANDHAR OFFICE:**

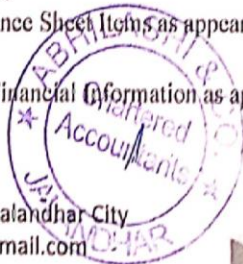
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- (xxxiv) Statement of Income Tax and Reconciliation of Effective Tax Rate as appearing in ANNEXURE XXXIIIIV to this report;
- (xxxv) Statement Showing Deferred Tax Asset/ Liability Reconciliation as appearing in ANNEXURE XXXV to this report.
- (xxxvi) Statement Showing Gratuity Disclosure and Amount to be Recognized in Balance Sheet as Long Term Provisions appearing in ANNEXURE XXXVI to this report
- (xxxvii) Analysis of CARO 2020 with Respect to Financial Years 2022-2023, 2021-2022 and 2020-2021, appearing in ANNEXURE XXXVIII to this report

10. 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.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, NSE and Registrar of Companies (Hyderabad) in connection with the proposed SME IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Abhilashi & Co.  
Chartered Accountants  
FRN - 016025N

(CA Kanjeet Singh)

Partner

Membership No. - 530259

(UDIN - ) 23530259 B4 X D C T 6067

Place: Jalandhar

Date: 17/07/2023

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Ph: 0181-4656528, 9855056528 email: abhilashi.inderjit@gmail.com

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## CHANDIGARH:

\*3110, Sector 40-D, Chandigarh-160036, Ph: 0172-2640546

| <b>NEWJAISA TECHNOLOGIES LIMITED</b><br><i>(Formerly Known as Newjaisa Technologies Private Limited)</i><br><b>STATEMENT OF ASSETS AND LIABILITIES AS RESTATED</b> |                     |                                                                                                                                                                   |                                 |                                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>Annexure-I</b>                                                                                                                                                  |                     | <b>(INR In Lakhs)</b>                                                                                                                                             |                                 |                                 |
| <b>Particulars</b>                                                                                                                                                 | <b>Annexure No.</b> | <b>As at 31.03.2023<br/>INR</b>                                                                                                                                   | <b>As at 31.03.2022<br/>INR</b> | <b>As at 31.03.2021<br/>INR</b> |
| <b>EQUITY AND LIABILITIES:</b>                                                                                                                                     |                     |                                                                                                                                                                   |                                 |                                 |
| <b>Shareholders' funds:</b>                                                                                                                                        |                     |                                                                                                                                                                   |                                 |                                 |
| Share Capital                                                                                                                                                      | <b>V</b>            | 36.00                                                                                                                                                             | 36.00                           | 1.00                            |
| Reserves and Surplus                                                                                                                                               | <b>VI</b>           | 894.12                                                                                                                                                            | 218.55                          | 73.36                           |
|                                                                                                                                                                    |                     | <b>930.12</b>                                                                                                                                                     | <b>254.55</b>                   | <b>74.36</b>                    |
| <b>Non-Current liabilities:</b>                                                                                                                                    |                     |                                                                                                                                                                   |                                 |                                 |
| Long Term Provisions                                                                                                                                               | <b>XXXVI</b>        | 4.83                                                                                                                                                              | 3.08                            | 0.67                            |
| Deferred Tax Liabilities                                                                                                                                           | <b>VII</b>          | 0.27                                                                                                                                                              | (0.02)                          | 0.13                            |
|                                                                                                                                                                    |                     | <b>5.10</b>                                                                                                                                                       | <b>3.06</b>                     | <b>0.80</b>                     |
| <b>Current liabilities:</b>                                                                                                                                        |                     |                                                                                                                                                                   |                                 |                                 |
| Short-Term Borrowings                                                                                                                                              | <b>VIII</b>         | 743.70                                                                                                                                                            | 181.82                          | 162.64                          |
| Trade Payables                                                                                                                                                     | <b>IX</b>           | -                                                                                                                                                                 | -                               | -                               |
| (a) Total Outstanding dues of micro enterprises and small enterprises                                                                                              |                     | -                                                                                                                                                                 | -                               | -                               |
| (b) Total Outstanding dues of creditors other than micro enterprises and small enterprises                                                                         |                     | 321.72                                                                                                                                                            | -                               | 17.55                           |
| Other Current Liabilities                                                                                                                                          | <b>X</b>            | 119.38                                                                                                                                                            | 108.21                          | 65.62                           |
| Short-Term Provisions                                                                                                                                              | <b>XI</b>           | 88.68                                                                                                                                                             | 11.51                           | 17.02                           |
|                                                                                                                                                                    |                     | <b>1,273.48</b>                                                                                                                                                   | <b>301.54</b>                   | <b>262.83</b>                   |
| <b>TOTAL</b>                                                                                                                                                       |                     | <b>2,208.70</b>                                                                                                                                                   | <b>559.15</b>                   | <b>337.99</b>                   |
| <b>ASSETS:</b>                                                                                                                                                     |                     |                                                                                                                                                                   |                                 |                                 |
| <b>Non-current assets:</b>                                                                                                                                         |                     |                                                                                                                                                                   |                                 |                                 |
| Property, Plant and Equipments                                                                                                                                     | <b>XII</b>          | 36.08                                                                                                                                                             | 25.10                           | 21.03                           |
| Capital Working In Progress- Intangible Assets                                                                                                                     | <b>XII</b>          | 4.50                                                                                                                                                              | -                               | -                               |
| Other Non-Current Assets                                                                                                                                           | <b>XIII</b>         | 10.66                                                                                                                                                             | 9.00                            | 5.50                            |
|                                                                                                                                                                    |                     | <b>51.24</b>                                                                                                                                                      | <b>34.10</b>                    | <b>26.53</b>                    |
| <b>Current assets:</b>                                                                                                                                             |                     |                                                                                                                                                                   |                                 |                                 |
| Inventories                                                                                                                                                        | <b>XIV</b>          | 1,282.75                                                                                                                                                          | 346.48                          | 70.09                           |
| Trade Receivables                                                                                                                                                  | <b>XV</b>           | 572.17                                                                                                                                                            | 147.56                          | 80.52                           |
| Cash and Bank Balances                                                                                                                                             | <b>XVI</b>          | 140.71                                                                                                                                                            | 7.91                            | 138.25                          |
| Short-Term Loans and Advances                                                                                                                                      | <b>XVII</b>         | 161.82                                                                                                                                                            | 23.10                           | 22.60                           |
|                                                                                                                                                                    |                     | <b>2,157.45</b>                                                                                                                                                   | <b>525.05</b>                   | <b>311.46</b>                   |
| <b>TOTAL</b>                                                                                                                                                       |                     | <b>2,208.70</b>                                                                                                                                                   | <b>559.15</b>                   | <b>337.99</b>                   |
| See accompanying annexures forming part of the restated standalone financial statements (refer Annexure No. IV to XXXVI)                                           |                     |                                                                                                                                                                   |                                 |                                 |
| <b>For Abhilashi &amp; Co.</b><br><b>Chartered Accountants</b><br><b>FRN-016025N</b>                                                                               |                     | <b>For and on behalf of the Board of Directors of</b><br><b>Newjaisa Technologies limited</b><br><b>(Formerly Known as Newjaisa Technologies Private Limited)</b> |                                 |                                 |
| <b>CA Kuljeet Singh</b><br><b>Partner</b><br><b>M. No. 530259</b><br><b>UDIN:</b><br><br><b>Place: Jalandhar</b><br><b>Date: 17/07/2023</b>                        |                     | <b>Vishesh Handa</b><br><b>MD</b><br><b>Din: 07842847</b><br><b>Place: Bangalore</b><br><b>Date: 17/07/2023</b>                                                   |                                 |                                 |
|                                                                                                                                                                    |                     | <b>Mukunda Raghavendra</b><br><b>WTD</b><br><b>DIN: 10060683</b><br><b>Place: Bangalore</b><br><b>Date: 17/07/2023</b>                                            |                                 |                                 |
|                                                                                                                                                                    |                     | <b>Poonam Jain</b><br><b>Company Secretary</b><br><b>Place: Bangalore</b><br><b>Date: 17/07/2023</b>                                                              |                                 |                                 |
|                                                                                                                                                                    |                     | <b>Ashish Nirmal</b><br><b>CFO</b><br><b>Place: Bangalore</b><br><b>Date: 17/07/2023</b>                                                                          |                                 |                                 |

**NEWJAISA TECHNOLOGIES LIMITED**  
(Formerly Known as Newjaisa Technologies Private Limited)  
**STATEMENT OF PROFIT AND LOSS AS RESTATED**

**ANNEXURE-II**

(INR In Lakhs)

| Particulars                                              | Notes | Year Ended<br>31.03.2023<br><br>INR | Year Ended<br>31.03.2022<br><br>INR | Year Ended<br>31.03.2021<br><br>INR |
|----------------------------------------------------------|-------|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Revenue:</b>                                          |       |                                     |                                     |                                     |
| Revenue from operations                                  | XVIII | 4,452.98                            | 2,791.90                            | 960.67                              |
| Other Income                                             | XIX   | 0.25                                | 0.60                                | 0.04                                |
| <b>Total</b>                                             |       | <b>4,453.23</b>                     | <b>2,792.50</b>                     | <b>960.71</b>                       |
| <b>Expenses:</b>                                         |       |                                     |                                     |                                     |
| Purchases of traded goods                                | XX    | 2,520.18                            | 1,907.14                            | 642.10                              |
| Employee benefits expenses                               | XXI   | 468.08                              | 223.13                              | 76.25                               |
| Finance costs                                            | XXII  | 54.32                               | 54.31                               | 11.31                               |
| Depreciation and amortisation expense                    | XXIII | 3.72                                | 2.49                                | 0.50                                |
| Other expenses                                           | XXIV  | 588.03                              | 360.46                              | 132.42                              |
| <b>Total</b>                                             |       | <b>3,634.33</b>                     | <b>2,547.53</b>                     | <b>862.58</b>                       |
| <b>Profit before tax</b>                                 |       | <b>818.90</b>                       | <b>244.97</b>                       | <b>98.13</b>                        |
| <b>Tax expense:</b>                                      |       |                                     |                                     |                                     |
| Current Tax                                              |       | -141.13                             | -61.99                              | -24.64                              |
| Prior Year Tax                                           |       | -1.92                               | -2.95                               | -                                   |
| Deferred tax                                             |       | -0.29                               | 0.15                                | -0.13                               |
| <b>Net Profit/(Loss) for the year</b>                    |       | <b>675.57</b><br>-                  | <b>180.19</b>                       | <b>73.36</b>                        |
| <b>Earning Per Share:</b>                                |       |                                     |                                     |                                     |
| - Basic Earning per share                                | XXV   | 3.03                                | 0.81                                | 0.33                                |
| Corporate Background and Significant accounting policies | IV    |                                     |                                     |                                     |

See accompanying annexures forming part of the restated standalone financial statements (refer Annexure No. IV to XXXVI)

**For Abhilashi & Co.**  
Chartered Accountants  
FRN-016025N

**For and on behalf of the Board of Directors of**  
**Newjaisa Technologies limited**  
(Formerly Known as Newjaisa Technologies Private Limited)

**Kuljeet Singh**  
Partner  
M. No. 530259  
UDIN:  
Place: Jalandhar  
Date: 17/07/2023

**Vishesh Handa**  
MD  
Din: 07842847  
Place: Bangalore  
Date: 17/07/2023

**Mukunda Raghavendra**  
WTD  
DIN: 10060683  
Place: Bangalore  
Date: 17/07/2023

**Poonam Jain**  
Company Secretary  
Place: Bangalore  
Date: 17/07/2023

**Ashish Nirmal**  
CFO  
Place: Bangalore  
Date: 17/07/2023



| <p style="text-align: center;"><b>NEWJAISA TECHNOLOGIES LIMITED</b><br/> <i>(Formerly Known as Newjaisa Technologies Private Limited)</i><br/> <b>STATEMENT OF CASH FLOW AS RESTATED</b></p>                                                                                                      |                                                                 |                                                                                                                                                                       |                               |                               |  |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|--|--|
| ANNEXURE-III                                                                                                                                                                                                                                                                                      |                                                                 |                                                                                                                                                                       | (INR In Lakhs)                |                               |  |  |
|                                                                                                                                                                                                                                                                                                   | PARTICULARS                                                     | Year Ended 31.03.2023<br>INR                                                                                                                                          | Year Ended 31.03.2022<br>INR. | Year Ended 31.03.2021<br>INR. |  |  |
| <b>A</b>                                                                                                                                                                                                                                                                                          | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |                                                                                                                                                                       |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   | Profit After Tax                                                | 675.57                                                                                                                                                                | 180.19                        | 73.36                         |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Adjustment For Non-Cash &amp; Non Operating Items:</b>       |                                                                                                                                                                       |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   | Tax Expense                                                     | 143.34                                                                                                                                                                | 64.78                         | 24.77                         |  |  |
|                                                                                                                                                                                                                                                                                                   | Interest Income                                                 | -                                                                                                                                                                     | -0.34                         | -0.00                         |  |  |
|                                                                                                                                                                                                                                                                                                   | Gratuity                                                        | 1.75                                                                                                                                                                  | 2.41                          | 0.67                          |  |  |
|                                                                                                                                                                                                                                                                                                   | Leave encashment                                                | -                                                                                                                                                                     | -                             | -                             |  |  |
|                                                                                                                                                                                                                                                                                                   | Balance written off                                             |                                                                                                                                                                       |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   | Depreciation                                                    | 3.72                                                                                                                                                                  | 2.49                          | 0.50                          |  |  |
|                                                                                                                                                                                                                                                                                                   | Operating Profit before Working Capital Changes                 | 824.37                                                                                                                                                                | 249.52                        | 99.30                         |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Adjustment for Working Capital:</b>                          |                                                                                                                                                                       |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   | (Increase)/Decrease in Trade Receivables                        | -424.61                                                                                                                                                               | -67.04                        | -80.52                        |  |  |
|                                                                                                                                                                                                                                                                                                   | (Increase)/Decrease in Short Term Loans and Advances            | -138.71                                                                                                                                                               | -0.50                         | -22.60                        |  |  |
|                                                                                                                                                                                                                                                                                                   | (Increase)/Decrease in Inventories                              | -936.27                                                                                                                                                               | -276.39                       | -70.09                        |  |  |
|                                                                                                                                                                                                                                                                                                   | (Increase)/Decrease in Long Term Loans and Advances             | -1.66                                                                                                                                                                 | -3.50                         | -5.50                         |  |  |
|                                                                                                                                                                                                                                                                                                   | Increase/(Decrease) in Other Current Liabilities                | 11.17                                                                                                                                                                 | 42.59                         | 65.62                         |  |  |
|                                                                                                                                                                                                                                                                                                   | Increase/(Decrease) in Short term Provisions                    | 77.18                                                                                                                                                                 | -5.51                         | 17.02                         |  |  |
|                                                                                                                                                                                                                                                                                                   | Increase/(Decrease) in Trade Payables                           | 321.72                                                                                                                                                                | -17.55                        | 17.55                         |  |  |
|                                                                                                                                                                                                                                                                                                   |                                                                 | -1,091.19                                                                                                                                                             | -327.90                       | -78.52                        |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Net Cash Generated from Operations (A)</b>                   | -266.83                                                                                                                                                               | -78.38                        | 20.78                         |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Less: Tax paid</b>                                           | -143.05                                                                                                                                                               | -64.93                        | -24.64                        |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Net Cash from Operating Activities (A)</b>                   | -409.88                                                                                                                                                               | -143.31                       | -3.86                         |  |  |
| <b>B</b>                                                                                                                                                                                                                                                                                          | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                      |                                                                                                                                                                       |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   | Addition to Property, Plant and Equipment                       | -14.70                                                                                                                                                                | -6.55                         | -21.53                        |  |  |
|                                                                                                                                                                                                                                                                                                   | Property, Plant and Equipment under Work In Progress            | -4.50                                                                                                                                                                 |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   | Interest Income                                                 | -                                                                                                                                                                     | 0.34                          | 0.00                          |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Net Cash used in Investing Activities (B)</b>                | -19.20                                                                                                                                                                | -6.20                         | -21.53                        |  |  |
| <b>C</b>                                                                                                                                                                                                                                                                                          | <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>                     |                                                                                                                                                                       |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   | Increase/(Decrease) in Share Capital                            |                                                                                                                                                                       |                               | 1.00                          |  |  |
|                                                                                                                                                                                                                                                                                                   | Increase/(Decrease) in Short-Term Borrowings                    | 561.89                                                                                                                                                                | 19.18                         | 162.64                        |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Net Cash from Financing Activities (C)</b>                   | 561.89                                                                                                                                                                | 19.18                         | 163.64                        |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Net Increase in Cash and Cash Equivalents (D)=(A+B+C)</b>    | 132.80                                                                                                                                                                | -130.34                       | 138.25                        |  |  |
|                                                                                                                                                                                                                                                                                                   | Cash and Cash Equivalents at the Beginning of the year (E)      | 7.91                                                                                                                                                                  | 138.25                        | -                             |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Cash and Cash Equivalents at the End of the year (D)+(E)</b> | 140.71                                                                                                                                                                | 7.91                          | 138.25                        |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>Components of Cash and Cash Equivalents:</b>                 |                                                                                                                                                                       |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   | Cash in Hand                                                    | -                                                                                                                                                                     | 7.74                          | 0.45                          |  |  |
|                                                                                                                                                                                                                                                                                                   | Bank Balance                                                    | 140.71                                                                                                                                                                | 0.17                          | 137.80                        |  |  |
|                                                                                                                                                                                                                                                                                                   | <b>TOTAL</b>                                                    | 140.71                                                                                                                                                                | 7.91                          | 138.25                        |  |  |
| <p>Note :The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.</p> <p>See accompanying annexures forming part of the restated standalone financial statements (refer Annexure No. IV to XXXVI)</p> |                                                                 |                                                                                                                                                                       |                               |                               |  |  |
| <p><b>For Abhilashi &amp; Co.</b><br/> Chartered Accountants<br/> FRN-016025N</p>                                                                                                                                                                                                                 |                                                                 | <p><b>For and on behalf of the Board of Directors of</b><br/> Newjaisa Technologies limited<br/> <i>(Formerly Known as Newjaisa technologies Private Limited)</i></p> |                               |                               |  |  |
| <p><b>Kuljeet Singh</b><br/> Partner<br/> M. No. 530259<br/> UDIN:<br/> Date: 17/07/2023<br/> Place: Jalandhar</p>                                                                                                                                                                                |                                                                 | <p><b>Vishesh Handa</b><br/> MD<br/> Din: 07842847<br/> Place: Bangalore<br/> Date: 17/07/2023</p>                                                                    |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   |                                                                 | <p><b>Mukunda Raghavendra</b><br/> WTD<br/> DIN: 10060683<br/> Place: Bangalore<br/> Date: 17/07/2023</p>                                                             |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   |                                                                 | <p><b>Poonam Jain</b><br/> Company Secretary<br/> Place: Bangalore<br/> Date: 17/07/2023</p>                                                                          |                               |                               |  |  |
|                                                                                                                                                                                                                                                                                                   |                                                                 | <p><b>Ashish Nirmal</b><br/> CFO<br/> Place: Bangalore<br/> Date: 17/07/2023</p>                                                                                      |                               |                               |  |  |

## **ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

### **A. CORPORATE INFORMATION:**

Newjaisa Technologies Limited (Formerly Known as Newjaisa Technologies Pvt Ltd) is a company incorporated on 16th June, 2020. The corporate identification number of the company is U32106KA2020PLC134935. The company deals in refurbished Laptops, Refurbished desktops, refurbished computer accessories, refurbished technology, and Refurbished MacBooks.

### **B. RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:**

#### **I. Basis of preparation of Financial Statements:**

The restated summary statement of assets and liabilities of the Company as at March 31, 2023, 2022 & 2021 and the related restated summary statement of profits and loss and cash flows for the period/year ended March 31, 2023, 2022 & 2021 (herein collectively referred to as ("Restated Summary Statements")) have been compiled by the management from the audited Financial Statements for the period/year ended on March 31, 2023, March 31, 2022 & 2021. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE Emerge in connection with its proposed IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The Restated Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of business and the time between the sale of goods and its realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

#### **Amendments in Schedule III of the Companies Act, 2013**

Ministry of Corporate Affairs (MCA) issued notification dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021 and applied to standalone financial statements as required by Schedule III.

#### **II. Use of Estimates:**

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period/year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

### III. Property, Plant & Equipment:

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses.

Cost includes purchase price, non-refundable taxes or levies, borrowing cost is capitalization criteria are met all other directly attributable cost to bring the assets to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed Standard of performance. All other repair & maintenance costs are recognized in statement of profit and loss as incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in statement of profit and loss, when the asset is derecognized.

### IV. Depreciation:

#### Tangible Assets:

Depreciation on Fixed Assets has been provided on 'Written-Down Value Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013.

#### Intangible Assets:

Computer Software is amortized using 'Written-Down Value Method' based on the tenure for right to use such software.

Technical Know-how is amortized using 'Written-Down Value Method' at an economic life of 10 years.

The residual value, useful life and method of depreciation on property, plant and equipment are reviewed at financial year end and adjusted prospectively, if appropriate.

### V. Impairment of Assets:

Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the period/year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

### VI. Provisions and Contingent Liabilities:

A provision is recognized when an enterprise has a present obligation as a result of past event and it is possible an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that cannot be recognized because it cannot

be measured reliably. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

**Warranty Provisioning:** Warranty Provisioning: The Company provides a warranty beyond fixing defects that existed at the time of sale. These service-type warranties are bundled together with the sale of products. Whereas Contracts for bundled sales of products and a service-type warranty comprise single performance obligations because the product and service-type warranty are not sold on a stand-alone basis. Management considers past trends to account for contingency and expects a provision within 12 months after Balance sheet Date is approximately ₹ 1,04,350/-

**Gratuity Provisioning:** For the Financial Years 2020-2021 and 2021-2022, the Company has not provided any Provision for gratuity in accordance with AS 15 on the basis that 5 years have not been passed since the date of incorporation, However No of Employees were exceeded as per the Gratuity Act. For the Financial Year 2022-2023, the Company has provided provision for gratuity as the valuation with respect to the same was made by Independent Actuary. The total amount of Gratuity amount for all the three years amounts to ₹ 4,82,952 out of which only ₹ 1,74,615 pertains to financial year 2022-2023.

VII. Cash and Cash Equivalents:

Cash and cash equivalents comprise Cash-in-Hand, Short-term Deposits and Balance in Current Accounts with Banks. Cash equivalents are short-term balances (with an original maturity of 'three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subjected to insignificant risk of changes in value.

VIII. Inventories:

Inventories have been valued at Cost or Net Realizable Value whichever is lower. Cost includes cost of purchases, direct cost and other costs which are incurred in bringing the Inventories to their respective present location and condition.

IX. Revenue Recognition

Revenue from sale of goods net of returns is recognized as and when the risk and rewards associated with goods and the ownership of the goods have been transferred and no significant uncertainty exists in ultimate collection at the time of recognition.

Revenue from rendering services is recognized when the services are performed and no significant uncertainty exists in ultimate collection at the time of recognition.

With respect to the warranty, the Company provides only assurance types warranty in conjunction with sale of product and hence same is not considered as separate performance obligation.

Revenue from rendering services is recognized when the services are performed and no significant uncertainty exists in ultimate collection at the time of recognition.

X. Other Income:

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

XI. Employee Benefits:

i. Short Term Employee benefits:

Employee benefits payable wholly within 12 months of rendering of the service are classified as short term. Benefits such as salaries, bonus etc. are recognized in the period in which the employee renders the related service.

ii. Post Employment benefits:

The Company has a defined plan for employees namely Gratuity and leave encashment, the liability for which is determined on the basis of valuation carried out by an independent actuary under projected unit credit method at the balance sheet date.

The liability recognized in the balance sheet in respect of gratuity is present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service cost. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experiences and changes in actuarial assumptions are credited or charged to the statement of profit and loss in the year in which such gains or losses are determined.

XII. Earnings Per Share

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than conversion of potential equity shares, that have changed the number of equity shares outstanding, without as corresponding change in resources. Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

XIII. Taxation & Deferred Tax

Income taxes are accounted for in accordance with Accounting Standard (AS-22) — "Accounting for taxes on income", notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Provision for current Income Tax is made on the tax liability payable on taxable income after considering tax allowance, deducted and exemption determined in accordance with the prevailing tax laws.

The difference between taxable income and the net profit or loss before tax for the year as per financial statements are identified and the tax effect of the deferred tax asset or deferred tax liability is recorded for timing differences i.e., differences that originate in one accounting period and reverse in another. The tax effect is calculated on accumulated timing differences at the end of the accounting year based on effective tax rates that would apply in the years in which the timing differences are expected to reverse.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

XIV. Research & Development Expenditure:

Research and Development expenditure of capital nature are capitalized and those of revenue nature are charged to Profit & Loss account in the year in which these are incurred.

XV. Operating Leases

Lease rent in respect of renewable operating leases which are cancellable, are charged to statement of profit and loss.

XVI. Foreign Exchange Transaction:

i. Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting Currency and the foreign currency at the date of the transaction.

ii. Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii. Exchange Differences:

Exchange differences arising on the settlement of monetary items, are recognized as income or expense in the period in which they arise.

XVII. Segment Reporting:

The Company does not have any reportable segment as the company has only business of manufacturing and trading of refurbished laptops. The company has established its business operation and market base only in India.

XVIII. Events occurring after the Balance Sheet date

Events occurring after the date of Balance sheet are considered up to the date of approval of the accounts by the Board of Directors, were materially impact the financial condition and financial statement of the company.

Issue of Bonus Shares:

The Company has issued 22,056 shares to Negen Tech Opportunities Angel Fund amounting to ₹ 2,20,560.00 and after that there was stock split –

\*Paid-up Equity Share Capital of the company of nominal value of ₹ 10/- (Rupees Ten Only) each, shall stands sub-divided into 2 (Two) Equity Shares of nominal value of ₹ 5/- (Rupee Five Only) each fully paid up.

The Company has proposed to Issue Bonus Shares Issue of Bonus Shares @ 30:1 ratio i.e., for every 1 share 30 bonus shares shall be allotted

Income Tax: The Company has received demand notice from Income tax Department amounting to ₹ 13,35,360.00 as on 27.04.2023 on account of excess TDS claimed by the Company amounting to ₹ 11,24,300 (39,87,640-28,63,340) and balance amounting to ₹ 2,11,060 on account of difference of Interest u/s 234B and 234C. The Company has submitted response on 17-05-2023 that:

“Turnover as per the Form 26AS is INR 388899361 and actual turnover as per the financial statement after considering the sales returns and after deducting the GST liability paid is INR 279190138. However, our customers have deducted the TDS on total invoice value, which is including the GST value and amazon has ignored the sales returns while deducting the TDS. Hence there is a turnover difference. Kindly consider our reply and allow us to claim the TDS and drop the tax liability”.

**NEWJAISA TECHNOLOGIES LIMITED***(Formerly Known as Newjaisa Technologies Private Limited)***DETAILS OF SHARE CAPITAL AS RESTATED ANNEXURE-V**

(INR In Lakhs)

| Notes | Particulars                                                                           | As at 31.03.2023<br>INR | As at 31.03.2022<br>INR | As at 31.03.2021<br>INR |
|-------|---------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|
| V     | <b>Share capital:</b>                                                                 |                         |                         |                         |
|       | <b>Authorised share capital</b>                                                       |                         |                         |                         |
|       | 1,50,00,000 Equity shares of ₹ 10 each (Previous year 3,60,000 Equity shares of ₹ 10) | 1,500.00                | 36.00                   | 1.00                    |
|       |                                                                                       | <b>1,500.00</b>         | <b>36.00</b>            | <b>1.00</b>             |
|       | <b>Issued, subscribed and fully paid up</b>                                           |                         |                         |                         |
|       | 3,60,000 Equity shares of ₹ 10 each (Previous year 10,000 Equity shares of ₹ 10)      | 36.00                   | 36.00                   | 1.00                    |
|       | <b>Total</b>                                                                          | <b>36.00</b>            | <b>36.00</b>            | <b>1.00</b>             |

**Reconciliation of number of shares outstanding at the end of the year:**

(INR In Lakhs)

| Notes | Particulars                              | As at 31st March 2023 |              | As at 31 March 2022 |              | As at 31 March 2021 |             |
|-------|------------------------------------------|-----------------------|--------------|---------------------|--------------|---------------------|-------------|
|       |                                          | No. of shares         | INR          | No. of shares       | INR          | No. of shares       | INR         |
|       | Balance as at the beginning of the year  | 3,60,000.00           | 36.00        | 10,000.00           | 1.00         | 10,000.00           | 1.00        |
|       | Add : Bonus Shares issued                | -                     | -            | 3,50,000.00         | 35.00        | -                   | -           |
|       | Less : Shares Redeemed                   | -                     | -            | -                   | -            | -                   | -           |
|       | Less : Shares Cancelled                  | -                     | -            | -                   | -            | -                   | -           |
|       | <b>Balance as at the end of the year</b> | <b>3,60,000.00</b>    | <b>36.00</b> | <b>3,60,000.00</b>  | <b>36.00</b> | <b>10,000.00</b>    | <b>1.00</b> |

**Terms / rights attached to equity shares:**

- The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity is entitled to one vote per share. The dividend proposed by the Board of directors, if any is subject to the approval of the shareholder in ensuing Annual General meeting.
- The equity shares are not repayable except in the case of buy back, reduction of capital or winding up in the terms of provisions of companies Act, 2013.
- Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and has right to vote in proportion to his share of the paid up capital of the Company.

**Details of Shareholders holding more than 5% of the aggregate shares of the Company:**

| Notes | Particulars   | As at 31st March 2023 |             | As at 31 March 2022 |             | As at 31 March 2021 |             |
|-------|---------------|-----------------------|-------------|---------------------|-------------|---------------------|-------------|
|       |               | No. of shares         | % Held      | No. of shares       | % Held      | No. of shares       | % Held      |
| 1     | Vishesh Handa | 3,42,000.00           | 95.00%      | 2,88,000.00         | 80.00%      | 8,000.00            | 80.00%      |
| 2     | Prathibha     | 18,000.00             | 5.00%       | 72,000.00           | 20.00%      | 2,000.00            | 20.00%      |
|       | <b>Total</b>  | <b>3,60,000.00</b>    | <b>100%</b> | <b>3,60,000.00</b>  | <b>100%</b> | <b>10,000.00</b>    | <b>100%</b> |

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

The Company has not issued any securities convertible into equity / preference shares.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iv) Shareholders holding promoters:**

| Notes | Particulars   | As at 31st March 2023    |                        | As at 31 March 2022      |                        | As at 31 March 2021 |             |
|-------|---------------|--------------------------|------------------------|--------------------------|------------------------|---------------------|-------------|
|       |               | No. of shares (In Lakhs) | % Held during the year | No. of shares (In Lakhs) | % Held during the year | No. of shares       | % Held      |
|       | Vishesh Handa | 3,42,000.00              | 95.00%                 | 2,88,000.00              | 80.00%                 | 8,000.00            | 80.00%      |
|       | Prathibha     | 18,000.00                | 5.00%                  | 72,000.00                | 20.00%                 | 2,000.00            | 20.00%      |
|       | <b>Total</b>  | <b>3,60,000.00</b>       |                        | <b>3,60,000.00</b>       |                        | <b>10,000.00</b>    | <b>100%</b> |

| <b>NEWJAISA TECHNOLOGIES LIMITED</b><br><b>(Formerly Known as Newjaisa Technologies Private Limited)</b><br><b>DETAILS OF RESERVES AND SURPLUS AS RESTATED</b><br><b>ANNEXURE-VI</b> |                     |                     |                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| (INR In Lakhs)                                                                                                                                                                       |                     |                     |                     |
| Particulars                                                                                                                                                                          | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 |
| <b>Reserves and Surplus:</b>                                                                                                                                                         |                     |                     |                     |
| <b>Surplus</b>                                                                                                                                                                       |                     |                     |                     |
| Opening Balance                                                                                                                                                                      | 218.55              | 73.36               | -                   |
| (+) Net Profit/(Loss) for the year                                                                                                                                                   | 675.57              | 180.19              | 73.36               |
| Less: Bonus Issue of Shares                                                                                                                                                          | -                   | 35.00               | -                   |
| <b>Closing Balance</b>                                                                                                                                                               | <b>894.12</b>       | <b>218.55</b>       | <b>73.36</b>        |
| <b>Total</b>                                                                                                                                                                         | <b>894.12</b>       | <b>218.55</b>       | <b>73.36</b>        |
|                                                                                                                                                                                      |                     |                     |                     |
| <b>DETAILS OF DEFERRED TAX LIABILITIES AS RESTATED</b><br><b>ANNEXURE-VII</b>                                                                                                        |                     |                     |                     |
| Particulars                                                                                                                                                                          | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 |
| <b>Deferred Tax Assets / (Liabilities):</b>                                                                                                                                          |                     |                     |                     |
| <b>Deferred Tax on timing difference of</b>                                                                                                                                          |                     |                     |                     |
| - Depreciable Assets                                                                                                                                                                 | (0.57)              | (0.59)              | (0.30)              |
| - Gratuity                                                                                                                                                                           | 0.30                | 0.61                | 0.17                |
| - Carried Forward Loss                                                                                                                                                               |                     |                     |                     |
| <b>Total</b>                                                                                                                                                                         | <b>(0.27)</b>       | <b>0.02</b>         | <b>(0.13)</b>       |
|                                                                                                                                                                                      |                     |                     |                     |
| <b>DETAILS OF SHORT TERM BORROWING AS RESTATED</b><br><b>ANNEXURE-VIII</b>                                                                                                           |                     |                     |                     |
| Particulars                                                                                                                                                                          | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 |
| <b>Short-Term Borrowings:</b>                                                                                                                                                        |                     |                     |                     |
| <b>Secured:</b>                                                                                                                                                                      |                     |                     |                     |
| Loans repayable on demand from banks<br>(hypothecated against the book debt and stock)<br><b>(Refer details below and as per Annexure XXXVII)</b>                                    | 724.14              | 146.11              | 103.95              |
| <b>Unsecured Loan</b>                                                                                                                                                                |                     |                     |                     |
| Loans and advances from related parties<br><b>(For details Refer Annexure XXXVII)</b>                                                                                                | 19.56               | 35.71               | 58.69               |
| <b>Total</b>                                                                                                                                                                         | <b>743.70</b>       | <b>181.82</b>       | <b>162.64</b>       |



| <b>Details of Short term borrowings</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                  |                                  |                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b>Working Capital Loan from Banks</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>As at 31st March<br/>2023</b> | <b>As at 31st March<br/>2022</b> | <b>As at 31st March<br/>2021</b> |
| <b>IDFC FIRST BANK:</b> Working Capital facility , availed by the Company , is secured by hyopthecation of all the stocks of Raw Material , Stores and Spares, Goods in Transit , Consumable stores and spares , Semi Finished Goods and other movables including book debts whole of the Borrower"s movable properties including its movable plant & machinery, machinery spares, tools and accessories, Hypothecation of all amounts owing to, and received and/or receivable by the Borrower and/or any person on its behalf, all book debts, all cash flows & receivables of the Borrower | <b>594.10</b>                    | -                                | -                                |
| <b>Axis Bank Limited :</b> Overdraft facility , availed by the Company , is secured by first pari pasu charge by way of equitable mortgage on immovable property being Residential Property of Mr Vishesh Handa being Promoter and Director , situated at Colony Villa Scrapes, Gandipet Village , Rajendranagar Mandal Rangareddy District -500075. The said facility is also secured by personal guarantee of Mr Vishesh Handa being Director and Promoter and Mrs Ankita Handa being Director as on 31.03.2023                                                                             | <b>3.48</b>                      | -                                | -                                |
| <b>Axis Bank Limited :</b> Working Capital / Cash Credit facility , availed by the company is secured by hypothecation of stock and book debts and all fixed assets of the company except for motor vehicles. The said facility is also secured by personal guarantee of Mr Vishesh Handa being Director and Promoter and by Mrs Ankita Handa being Director of Company as on 31.03.2023                                                                                                                                                                                                      | <b>1.53</b>                      | -                                | -                                |
| <b>Cap Save Finance Private Limited -</b> Working capital demand loan facility , availed by the Company is Secured by First Pari-Passu Charge by way of hypothecation on all existing and future movable fixed assets (including but not limited to tangible assets, intangible assets & intellectual property rights) and current assets of the borrower, existing and future. The said facility is also secured by Personal guarantee of Mr Vishesh Handa being Director and Promoter of the Comapny as at balance sheet date                                                               | <b>125.03</b>                    | -                                | -                                |
| <b>HDFC Bank Limited:</b> Working Capital availed by the Company is Secured by First Pari-Passu Charge by way of hypothecation of 1] All the stock in trade both present and future consisting of raw materials, finished goods, goods in process of manufacturing and any other goods , 2) All the book debts, amounts outstanding, monies receivable, claims and bills which are now due and owing or which may at any time hereafter                                                                                                                                                       | -                                | <b>146.11</b>                    | <b>103.95</b>                    |
| <b>Bank of Baroda: Working Capital availed by the Company is Secured by First Pari-Passu Charge</b> by way of hypothecation of 1] All the stock in trade both present and future consisting of raw materials, finished goods, goods in process of manufacturing and any other goods and book debts both present and future . The said faqility is also secured by personal guarantee of Mrs. Prathibha G and Sukriti Vijay                                                                                                                                                                    | -                                | -                                | -                                |
| <b>Total Working Capital Loan from Banks</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>724.14</b>                    | <b>146.11</b>                    | <b>103.95</b>                    |

**DETAILS OF TRADE PAYABLE AS RESTATED  
ANNEXURE-IX**

| Particulars                                                                                                                                                                                                                                                  | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| <b>Trade Payables:</b>                                                                                                                                                                                                                                       |                     |                     |                     |
| Total outstanding due to Micro Enterprises and Small Enterprises                                                                                                                                                                                             | -                   | -                   | -                   |
|                                                                                                                                                                                                                                                              | 321.72              | -                   | 17.55               |
| Total outstanding due to creditors other than Micro Enterprises and Small Enterprises                                                                                                                                                                        |                     |                     |                     |
| <b>Total</b>                                                                                                                                                                                                                                                 | <b>321.72</b>       | <b>-</b>            | <b>17.55</b>        |
| Trade Payables Due for Payment                                                                                                                                                                                                                               |                     |                     |                     |
| i) MSME                                                                                                                                                                                                                                                      |                     |                     |                     |
| (a) Less than 1 Year                                                                                                                                                                                                                                         |                     |                     |                     |
| (b) 1-2 Years                                                                                                                                                                                                                                                |                     |                     |                     |
| (c) 2-3 Years                                                                                                                                                                                                                                                |                     |                     |                     |
| (d) More than 3 Years                                                                                                                                                                                                                                        |                     |                     |                     |
| <b>Total</b>                                                                                                                                                                                                                                                 | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| ii) Others                                                                                                                                                                                                                                                   |                     |                     |                     |
| (a) Less than 1 Year                                                                                                                                                                                                                                         | 321.72              | -                   | 17.55               |
| (b) 1-2 Years                                                                                                                                                                                                                                                |                     |                     |                     |
| (c) 2-3 Years                                                                                                                                                                                                                                                |                     |                     |                     |
| (d) More than 3 Years                                                                                                                                                                                                                                        |                     |                     |                     |
| <b>Total</b>                                                                                                                                                                                                                                                 | <b>321.72</b>       | <b>-</b>            | <b>17.55</b>        |
| iii) Disputed dues - MSME                                                                                                                                                                                                                                    |                     |                     |                     |
| (a) Less than 1 Year                                                                                                                                                                                                                                         |                     |                     |                     |
| (b) 1-2 Years                                                                                                                                                                                                                                                |                     |                     |                     |
| (c) 2-3 Years                                                                                                                                                                                                                                                |                     |                     |                     |
| (d) More than 3 Years                                                                                                                                                                                                                                        |                     |                     |                     |
| <b>Total</b>                                                                                                                                                                                                                                                 | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| iv) Disputed dues - Others                                                                                                                                                                                                                                   |                     |                     |                     |
| (a) Less than 1 Year                                                                                                                                                                                                                                         |                     |                     |                     |
| (b) 1-2 Years                                                                                                                                                                                                                                                |                     |                     |                     |
| (c) 2-3 Years                                                                                                                                                                                                                                                |                     |                     |                     |
| (d) More than 3 Years                                                                                                                                                                                                                                        |                     |                     |                     |
| <b>Total</b>                                                                                                                                                                                                                                                 | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| <b>Disclosures under Micro, Small and Medium Enterprises Development Act, 2006 for Capital Creditors</b>                                                                                                                                                     |                     |                     |                     |
| (i) Details of dues to micro and small enterprises as per MSMED Act , 2006 the principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year                                                              |                     |                     |                     |
| -principal amount                                                                                                                                                                                                                                            | NIL                 | NIL                 | NIL                 |
| -interest amount                                                                                                                                                                                                                                             | NIL                 | NIL                 | NIL                 |
| (ii) The amount of interest paid by the buyer under the MSMED Act , 2006 along with the amounts of payment made to supplier beyond the appointed date during each accounting year                                                                            | NIL                 | NIL                 | NIL                 |
| (iii) The amount of interest due and payable for the year (where the principal has been paid but interest under MSMED Act , 2006 not paid                                                                                                                    | NIL                 | NIL                 | NIL                 |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year ; and                                                                                                                                                            | NIL                 | NIL                 | NIL                 |
| (v) The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues as above are actually paid to the small enterprises for the purpose of disallowance as deductible expenditure under section 23 | NIL                 | NIL                 | NIL                 |

| <b>DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED<br/>ANNEXURE-X</b>                                                                                                                                                                                                                                                                                                             |                     |                     |                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Particulars                                                                                                                                                                                                                                                                                                                                                                        | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 |
| <b>Other Current Liabilities:</b>                                                                                                                                                                                                                                                                                                                                                  |                     |                     |                     |
| Statutory dues (For details refer Annexure XXXVII)                                                                                                                                                                                                                                                                                                                                 | 12.82               | 18.28               | 17.58               |
| Payable to Related Parties                                                                                                                                                                                                                                                                                                                                                         | 54.75               | 74.07               | 27.75               |
| Advance Received from the Customer                                                                                                                                                                                                                                                                                                                                                 | -                   | -                   | -                   |
| Employee Benefits Payable                                                                                                                                                                                                                                                                                                                                                          | 44.62               | 14.52               | 19.00               |
| Payable for Expenses                                                                                                                                                                                                                                                                                                                                                               | 7.19                | 1.35                | 1.30                |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                       | <b>119.38</b>       | <b>108.21</b>       | <b>65.62</b>        |
| The Statutory dues amounting to 12,81,650 has been duly paid by the Company after 31st March on respective due dates                                                                                                                                                                                                                                                               |                     |                     |                     |
| <b>DETAILS OF SHORT TERM PROVISIONS AS RESTATED<br/>ANNEXURE-XI</b>                                                                                                                                                                                                                                                                                                                |                     |                     |                     |
| Particulars                                                                                                                                                                                                                                                                                                                                                                        | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 |
| Provision for Tax (Net of Advance Tax and TDS)                                                                                                                                                                                                                                                                                                                                     | 87.64               | 11.51               | 17.02               |
| Provision for Warranty                                                                                                                                                                                                                                                                                                                                                             | 1.04                |                     |                     |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                       | <b>88.69</b>        | <b>11.51</b>        | <b>17.02</b>        |
| The Provision for Taxation has been made by the Company in accordance with Income Tax Act, 1961 and the same to be paid by the Company at the time of filing of Income Tax Return                                                                                                                                                                                                  |                     |                     |                     |
| <b>DETAILS OF CURRENT TAX LIABILITIES AS RESTATED<br/>ANNEXURE-XII</b>                                                                                                                                                                                                                                                                                                             |                     |                     |                     |
| Current Tax Liabilities (net)                                                                                                                                                                                                                                                                                                                                                      | As at 31.03.2023    | As at 31.03.2022    | As at 31.03.2021    |
| Opening Provision for Income Tax                                                                                                                                                                                                                                                                                                                                                   | 11.51               | 17.02               | -                   |
| Provision created during the year                                                                                                                                                                                                                                                                                                                                                  | 141.13              | 61.99               | 17.02               |
| Tax paid during the year (inclusive of advance tax and TDS deductions)                                                                                                                                                                                                                                                                                                             | 64.99               | -67.49              | -                   |
| <b>Total Current Liabilities for tax (net)</b>                                                                                                                                                                                                                                                                                                                                     | <b>87.64</b>        | <b>11.51</b>        | <b>17.02</b>        |
| <b>DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED<br/>ANNEXURE-XIII</b>                                                                                                                                                                                                                                                                                                           |                     |                     |                     |
| Particulars                                                                                                                                                                                                                                                                                                                                                                        | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 |
| <b>Other Non-Current Assets</b>                                                                                                                                                                                                                                                                                                                                                    |                     |                     |                     |
| Unsecured and Consider Good                                                                                                                                                                                                                                                                                                                                                        |                     |                     |                     |
| Security Deposits                                                                                                                                                                                                                                                                                                                                                                  | 10.66               | 9.00                | 5.50                |
| (For details refer Annexure XXXVII)                                                                                                                                                                                                                                                                                                                                                |                     |                     |                     |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                       | <b>10.66</b>        | <b>9.00</b>         | <b>5.50</b>         |
| The Security Deposits is With Respect to Office Rent and the same is to be refunded at the time of Lessee Vacating the Premises and handing over the physical possession of the Schedule Property and both the parties to cause 2 months advance notice in writing to terminate the one agreement and 3 months notice for another agreement and 30 days notice for third agreement |                     |                     |                     |

| <b>DETAILS OF INVENTORIES AS RESTATED<br/>ANNEXURE-XIV</b>                                                                                         |                             |                             |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Particulars</b>                                                                                                                                 | <b>As at<br/>31.03.2023</b> | <b>As at<br/>31.03.2022</b> | <b>As at<br/>31.03.2021</b> |
| <b>Inventories</b>                                                                                                                                 |                             |                             |                             |
| Finished Goods and Consumables                                                                                                                     |                             |                             |                             |
| (a) Raw Materials                                                                                                                                  |                             |                             |                             |
| (b) Work -in Progress                                                                                                                              | 728.19                      | 166.31                      | 39.66                       |
| (c) Finished Goods                                                                                                                                 | 208.39                      | 101.93                      | 14.72                       |
| (d) Stock-in- Trade (in respect of goods acquired for trading)                                                                                     | -                           | -                           | -                           |
| (e) Stores and Spares                                                                                                                              | 346.17                      | 78.24                       | 15.70                       |
| (f) Loose Tools                                                                                                                                    | -                           | -                           |                             |
| (g) Others                                                                                                                                         |                             |                             |                             |
| <b>Total</b>                                                                                                                                       | <b>1,282.75</b>             | <b>346.48</b>               | <b>70.09</b>                |
| <b>DETAILS OF TRADE RECEIVABLE AS RESTATED<br/>ANNEXURE-XV</b>                                                                                     |                             |                             |                             |
| <b>Particulars</b>                                                                                                                                 | <b>As at<br/>31.03.2023</b> | <b>As at<br/>31.03.2022</b> | <b>As at<br/>31.03.2021</b> |
| <b>Trade Receivables</b>                                                                                                                           |                             |                             |                             |
| Outstanding for a period exceeding six months from the date they are due for payment                                                               |                             |                             |                             |
| Other receivables                                                                                                                                  |                             |                             |                             |
| i) Undisputed Trade Receivables - considered good                                                                                                  |                             |                             |                             |
| (a) Less than 6 months                                                                                                                             | 569.52                      | 143.11                      | 80.52                       |
| (b) 6 months - 1 Year                                                                                                                              | 2.64                        | 4.45                        | -                           |
| (c) 1-2 Years                                                                                                                                      | -                           | -                           | -                           |
| (d) 2-3 Years                                                                                                                                      | -                           | -                           | -                           |
| (e) More than 3 Years                                                                                                                              | -                           | -                           | -                           |
| <b>Total</b>                                                                                                                                       | <b>572.2</b>                | <b>147.56</b>               | <b>80.52</b>                |
| ii) Undisputed Trade Receivables - considered doubtful                                                                                             |                             |                             |                             |
| (a) Less than 6 months                                                                                                                             | -                           | -                           | -                           |
| (b) 6 months - 1 Year                                                                                                                              | -                           | -                           | -                           |
| (c) 1-2 Years                                                                                                                                      | -                           | -                           | -                           |
| (d) 2-3 Years                                                                                                                                      | -                           | -                           | -                           |
| (e) More than 3 Years                                                                                                                              | -                           | -                           | -                           |
| <b>Total</b>                                                                                                                                       | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |
| iii) Disputed Trade Receivables - considered good                                                                                                  |                             |                             |                             |
| (a) Less than 6 months                                                                                                                             | -                           | -                           | -                           |
| (b) 6 months - 1 Year                                                                                                                              | -                           | -                           | -                           |
| (c) 1-2 Years                                                                                                                                      | -                           | -                           | -                           |
| (d) 2-3 Years                                                                                                                                      | -                           | -                           | -                           |
| (e) More than 3 Years                                                                                                                              | -                           | -                           | -                           |
| <b>Total</b>                                                                                                                                       | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |
| iv) Disputed Trade Receivables - considered doubtful                                                                                               |                             |                             |                             |
| (a) Less than 6 months                                                                                                                             | -                           | -                           | -                           |
| (b) 6 months - 1 Year                                                                                                                              | -                           | -                           | -                           |
| (c) 1-2 Years                                                                                                                                      | -                           | -                           | -                           |
| (d) 2-3 Years                                                                                                                                      | -                           | -                           | -                           |
| (e) More than 3 Years                                                                                                                              | -                           | -                           | -                           |
| <b>Total</b>                                                                                                                                       | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    |
| <b>Total</b>                                                                                                                                       | <b>572.17</b>               | <b>147.56</b>               | <b>80.52</b>                |
| <b>Due to Large Volume of Transactions with Amazon, Balance reconciliation of Amazon Receivable and Reserve Amount with Amazon is not possible</b> |                             |                             |                             |

| <b>DETAILS OF CASH &amp; CASH EQUIVALENT AS RESTATED</b>                                                                                                                    |                     |                     |                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| <b>ANNEXURE-XVI</b>                                                                                                                                                         |                     |                     |                     |
| Particulars                                                                                                                                                                 | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 |
| <b>Cash and Cash Equivalent:</b>                                                                                                                                            |                     |                     |                     |
| Cash in hand                                                                                                                                                                | -                   | 7.74                | 0.45                |
| <b>Balances with banks</b>                                                                                                                                                  |                     |                     |                     |
| in Current Accounts                                                                                                                                                         | 140.71              | 0.17                | 126.79              |
| in Fixed Deposit                                                                                                                                                            | -                   | -                   | 11.00               |
| (For details refer Annexure XXXVII)                                                                                                                                         |                     |                     |                     |
| <b>Total</b>                                                                                                                                                                | <b>140.71</b>       | <b>7.91</b>         | <b>138.25</b>       |
| <b>DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED</b>                                                                                                                  |                     |                     |                     |
| <b>ANNEXURE-XVII</b>                                                                                                                                                        |                     |                     |                     |
| Particulars                                                                                                                                                                 | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 |
| <b>Short-Term Loans and Advances:</b>                                                                                                                                       |                     |                     |                     |
| Unsecured and Consider Good                                                                                                                                                 |                     |                     |                     |
| Balance with the Government Authorities (For details refer Annexure XXXV)                                                                                                   | 4.16                | -                   | 4.25                |
| Receivable from Associates                                                                                                                                                  | -                   | -                   | 1.45                |
| Advance to Suppliers                                                                                                                                                        | 148.89              | 21.09               | 16.53               |
| Advance given to the Employees (For details refer Annexure XXXVII)                                                                                                          | 6.76                | 1.21                | 0.38                |
| Other Receivables - TDS Reimbursement                                                                                                                                       | 2.02                | 0.80                | -                   |
| <b>Total</b>                                                                                                                                                                | <b>161.82</b>       | <b>23.10</b>        | <b>22.61</b>        |
| <b>With Respect to Advance to Suppliers , there are no terms as such for advance payments , Payments are made at the time when Purchase Order is made by the management</b> |                     |                     |                     |

**NEWJAISA TECHNOLOGIES LIMITED**

(Formerly Known as Newjaisa Technologies Private Limited)

**DETAILS OF PROPERTY, PLANT & EQUIPMENT and INTANGIBLE ASSETS AS RESTATED**

**ANNEXURE-XII**

Tangible assets:

(INR In Lakhs)

| Particulars            | GROSS BLOCK     |              |           |                  | DEPRECIATION    |              |             |           |                  | NET BLOCK        |                  |
|------------------------|-----------------|--------------|-----------|------------------|-----------------|--------------|-------------|-----------|------------------|------------------|------------------|
|                        | As on 1.04.2022 | Additions    | Deletions | As on 31.03.2023 | As on 1.04.2022 | For the year | Adjustments | Deletions | As on 31.03.2023 | As on 31.03.2023 | As at 31.03.2022 |
| Electronic Equipments  | 0.53            | -            | -         | 0.53             | 0.08            | 0.05         | -           | -         | 0.13             | 0.40             | 0.45             |
| Office Equipments      | 1.97            | 2.00         | -         | 3.97             | 0.28            | 0.51         | -           | -         | 0.80             | 3.17             | 1.69             |
| Motor Vehicles         | 20.50           | -            | -         | 20.50            | 2.36            | 1.95         | -           | -         | 4.31             | 16.19            | 18.14            |
| Furniture and Fixtures | 5.08            | 10.19        | -         | 15.27            | 0.26            | 1.01         | -           | -         | 1.27             | 14.00            | 4.81             |
| Computer and Software  | -               | 2.51         | -         | 2.51             | -               | 0.19         | -           | -         | 0.19             | 2.31             | -                |
| <b>Total</b>           | <b>28.07</b>    | <b>14.70</b> | <b>-</b>  | <b>42.77</b>     | <b>2.99</b>     | <b>3.72</b>  | <b>-</b>    | <b>-</b>  | <b>6.70</b>      | <b>36.08</b>     | <b>25.10</b>     |
| <b>Previous Year</b>   | <b>21.53</b>    | <b>6.55</b>  | <b>-</b>  | <b>28.08</b>     | <b>0.50</b>     | <b>2.49</b>  | <b>-</b>    | <b>-</b>  | <b>2.99</b>      | <b>25.10</b>     | <b>21.03</b>     |

Working In Progress : Intangible Assets

| Particulars      | GROSS BLOCK     |             |           |                  | DEPRECIATION    |              |             |           |                  | NET BLOCK        |                  |
|------------------|-----------------|-------------|-----------|------------------|-----------------|--------------|-------------|-----------|------------------|------------------|------------------|
|                  | As on 1.04.2022 | Additions   | Deletions | As on 31.03.2023 | As on 1.04.2022 | For the year | Adjustments | Deletions | As on 31.03.2023 | As on 31.03.2023 | As on 31.03.2022 |
| Work in Progress | -               | 4.50        | -         | 4.50             | -               | -            | -           | -         | 4.50             | 4.50             | -                |
| <b>Total</b>     | <b>-</b>        | <b>4.50</b> | <b>-</b>  | <b>4.50</b>      | <b>-</b>        | <b>-</b>     | <b>-</b>    | <b>-</b>  | <b>4.50</b>      | <b>4.50</b>      | <b>-</b>         |

WIP amounting to ₹ 4,50,000 is with respect to Professional Charges paid for Cloud Development

Tangible assets:

| Particulars            | GROSS BLOCK     |              |           |                  | DEPRECIATION    |              |             |           |                  | NET BLOCK        |                  |
|------------------------|-----------------|--------------|-----------|------------------|-----------------|--------------|-------------|-----------|------------------|------------------|------------------|
|                        | As on 1.04.2021 | Additions    | Deletions | As on 31.03.2022 | As on 1.04.2021 | For the year | Adjustments | Deletions | As on 31.03.2022 | As at 31.03.2022 | As at 31.03.2021 |
| Electronic Equipments  | 0.53            | -            | -         | 0.53             | 0.03            | 0.05         | -           | -         | 0.08             | 0.45             | 0.50             |
| Office Equipments      | 0.50            | 1.47         | -         | 1.97             | 0.06            | 0.23         | -           | -         | 0.28             | 1.69             | 0.44             |
| Motor Vehicles         | 20.50           | -            | -         | 20.50            | 0.41            | 1.95         | -           | -         | 2.36             | 18.14            | 20.09            |
| Furniture and Fixtures | -               | 5.08         | -         | 5.08             | -               | 0.26         | -           | -         | 0.26             | 4.81             | -                |
| <b>Total</b>           | <b>21.53</b>    | <b>6.55</b>  | <b>-</b>  | <b>28.07</b>     | <b>0.50</b>     | <b>2.49</b>  | <b>-</b>    | <b>-</b>  | <b>2.99</b>      | <b>25.10</b>     | <b>21.03</b>     |
| <b>Previous Year</b>   | <b>-</b>        | <b>21.53</b> | <b>-</b>  | <b>21.53</b>     | <b>-</b>        | <b>0.50</b>  | <b>-</b>    | <b>-</b>  | <b>0.50</b>      | <b>21.03</b>     | <b>-</b>         |

Tangible assets:

| Particulars           | GROSS BLOCK     |              |           |                  | DEPRECIATION    |              |             |           |                  | NET BLOCK        |                  |
|-----------------------|-----------------|--------------|-----------|------------------|-----------------|--------------|-------------|-----------|------------------|------------------|------------------|
|                       | As on 1.04.2020 | Additions    | Deletions | As on 31.03.2021 | As on 1.04.2020 | For the year | Adjustments | Deletions | As on 31.03.2021 | As at 31.03.2021 | As at 31.03.2020 |
| Electronic Equipments | -               | 0.53         | -         | 0.53             | -               | 0.03         | -           | -         | 0.03             | 0.50             | -                |
| Office Equipments     | -               | 0.50         | -         | 0.50             | -               | 0.06         | -           | -         | 0.06             | 0.44             | -                |
| Motor Vehicles        | -               | 20.50        | -         | 20.50            | -               | 0.41         | -           | -         | 0.41             | 20.09            | -                |
| <b>Total</b>          | <b>-</b>        | <b>21.53</b> | <b>-</b>  | <b>21.53</b>     | <b>-</b>        | <b>0.50</b>  | <b>-</b>    | <b>-</b>  | <b>0.50</b>      | <b>21.03</b>     | <b>-</b>         |
| <b>Previous Year</b>  | <b>-</b>        | <b>-</b>     | <b>-</b>  | <b>-</b>         | <b>-</b>        | <b>-</b>     | <b>-</b>    | <b>-</b>  | <b>-</b>         | <b>-</b>         | <b>-</b>         |

| NEWJAISA TECHNOLOGIES LIMITED                             |                                 |                                 |                                 |
|-----------------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| (Formerly Known as Newjaisa Technologies Private Limited) |                                 |                                 |                                 |
| DETAILS OF REVENUE FROM OPERATION AS RESTATED             |                                 |                                 |                                 |
| ANNEXURE-XVIII                                            |                                 | (INR In Lakhs)                  |                                 |
| Particulars                                               | Year Ended<br>31.03.2023        | Year Ended<br>31.03.2022        | Year Ended<br>31.03.2021        |
|                                                           | INR                             | INR                             | INR                             |
| <b>Revenue From Operations</b>                            |                                 |                                 |                                 |
| Revenue From Operations                                   | 4,452.98                        | 2,791.90                        | 960.67                          |
| <b>Revenue From Operations</b>                            | <b>4,452.98</b>                 | <b>2,791.90</b>                 | <b>960.67</b>                   |
| <b>DETAILS OF OTHER INCOME AS RESTATED</b>                |                                 |                                 |                                 |
| ANNEXURE-XIX                                              |                                 |                                 |                                 |
| Particulars                                               | Year Ended<br>INR               | Year Ended<br>INR               | Year Ended<br>INR               |
|                                                           | INR                             | INR                             | INR                             |
| <b>Other Income:</b>                                      |                                 |                                 |                                 |
| Interest on Deposits                                      | -                               | 0.34                            | 0.00                            |
| Balance no longer payable                                 | -                               | 0.26                            | 0.04                            |
| Other Income- Scrap Sale                                  | 0.25                            | -                               | -                               |
| <b>Total</b>                                              | <b>0.25</b>                     | <b>0.60</b>                     | <b>0.04</b>                     |
| <b>DETAILS OF COST OF GOODS SOLD AS RESTATED</b>          |                                 |                                 |                                 |
| ANNEXURE-XX                                               |                                 |                                 |                                 |
| Particulars                                               | Year Ended<br>INR               | Year Ended<br>INR               | Year Ended<br>INR               |
|                                                           | INR                             | INR                             | INR                             |
| <b>Cost of Goods Sold</b>                                 |                                 |                                 |                                 |
| Opening Stock                                             | 346.48                          | 70.09                           |                                 |
| Add: Purchase of Computers and Accessories                | 3,350.49                        | 1,936.66                        | 693.16                          |
| Add: Direct Expenses                                      | 105.96                          | 246.87                          | 19.03                           |
| Less: Closing Stock                                       | (1,282.75)                      | (346.48)                        | (70.09)                         |
| <b>Total</b>                                              | <b>2,520.18</b>                 | <b>1,907.14</b>                 | <b>642.10</b>                   |
| <b>DETAILS OF EMPLOYEE BENEFIT AS RESTATED</b>            |                                 |                                 |                                 |
| ANNEXURE-XXI                                              |                                 |                                 |                                 |
| Particulars                                               | Year Ended<br>31.03.2023<br>INR | Year Ended<br>31.03.2022<br>INR | Year Ended<br>31.03.2021<br>INR |
|                                                           | INR                             | INR                             | INR                             |
| <b>Employee Benefit Expense:</b>                          |                                 |                                 |                                 |
| Salaries including Bonus                                  | 391.57                          | 90.93                           | 48.71                           |
| Director Remuneration and Salary to Related Party         | 50.73                           | 33.52                           | 10.02                           |
| Contracted Labour Charges                                 | 13.68                           | 87.93                           | 16.85                           |
| Staff Welfare                                             | 10.36                           | 8.34                            | -                               |
| Gratuity                                                  | 1.75                            | 2.41                            | 0.67                            |
| <b>Total</b>                                              | <b>468.08</b>                   | <b>223.13</b>                   | <b>76.25</b>                    |

| <b>DETAILS OF FINANCE COST AS RESTATED</b>                                                                                                                                                                                                               |                          |                          |                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| ANNEXURE-XXII                                                                                                                                                                                                                                            |                          |                          |                          |
| Particulars                                                                                                                                                                                                                                              | Year Ended<br>31.03.2023 | Year Ended<br>31.03.2022 | Year Ended<br>31.03.2021 |
|                                                                                                                                                                                                                                                          | INR                      | INR                      | INR                      |
| <b>Finance costs</b>                                                                                                                                                                                                                                     |                          |                          |                          |
| Interest Expenses                                                                                                                                                                                                                                        | 54.32                    | 54.31                    | 11.31                    |
| <b>Total</b>                                                                                                                                                                                                                                             | <b>54.32</b>             | <b>54.31</b>             | <b>11.31</b>             |
| <b>DETAILS OF DEPRECIATION AND AMORTIZATION EXPENSE AS RESTATED</b>                                                                                                                                                                                      |                          |                          |                          |
| ANNEXURE-XXIII                                                                                                                                                                                                                                           |                          |                          |                          |
| Particulars                                                                                                                                                                                                                                              | Year Ended<br>31.03.2023 | Year Ended<br>31.03.2022 | Year Ended<br>31.03.2021 |
|                                                                                                                                                                                                                                                          | INR                      | INR                      | INR                      |
| <b>Depreciation and Amortisation expense:</b>                                                                                                                                                                                                            |                          |                          |                          |
| Depreciation of tangible assets                                                                                                                                                                                                                          | 3.72                     | 2.49                     | 0.50                     |
| <b>Total</b>                                                                                                                                                                                                                                             | <b>3.72</b>              | <b>2.49</b>              | <b>0.50</b>              |
| <b>DETAILS OF OTHER EXPENSES AS RESTATED</b>                                                                                                                                                                                                             |                          |                          |                          |
| ANNEXURE-XXIV                                                                                                                                                                                                                                            |                          |                          |                          |
| Particulars                                                                                                                                                                                                                                              | Year Ended<br>31.03.2023 | Year Ended<br>31.03.2022 | Year Ended<br>31.03.2021 |
|                                                                                                                                                                                                                                                          | INR                      | INR                      | INR                      |
| <b>Other expenses:</b>                                                                                                                                                                                                                                   |                          |                          |                          |
| Office Rent                                                                                                                                                                                                                                              | 38.32                    | 21.55                    | 4.20                     |
|                                                                                                                                                                                                                                                          | 5.75                     | 2.36                     | -                        |
| Freight and Forwarding Charges                                                                                                                                                                                                                           | 37.05                    | 33.15                    | 7.29                     |
| Repair and Maintenance                                                                                                                                                                                                                                   | 20.04                    | 33.29                    | 8.67                     |
| Marketing and Business Promotion Expenses                                                                                                                                                                                                                | 424.50                   | 195.76                   | 78.88                    |
| Consultation and Professional Charges                                                                                                                                                                                                                    | 31.16                    | 43.39                    | 32.26                    |
| Insurance Charges                                                                                                                                                                                                                                        | 0.51                     | 2.97                     | -                        |
| Office Maintenance                                                                                                                                                                                                                                       | 4.91                     | 3.82                     | -                        |
| Audit Fees                                                                                                                                                                                                                                               | 4.56                     | 0.60                     | 0.60                     |
| Security Charges                                                                                                                                                                                                                                         | 6.00                     | -                        | -                        |
| Rates and Taxes                                                                                                                                                                                                                                          | 0.67                     | 0.05                     | 0.29                     |
| Warranty Replacement Expenses                                                                                                                                                                                                                            | 2.94                     | 0.78                     | 0.23                     |
| Write Off                                                                                                                                                                                                                                                |                          | 9.88                     | -                        |
| Printing and Stationery                                                                                                                                                                                                                                  | 1.04                     | 1.31                     | -                        |
| Postal and courier charges                                                                                                                                                                                                                               | 0.12                     | 2.65                     | -                        |
| Travelling and Conveyance                                                                                                                                                                                                                                | 7.16                     | 8.46                     | -                        |
| Telephone and Internet Charges                                                                                                                                                                                                                           | 3.31                     | 0.43                     | -                        |
| <b>Total</b>                                                                                                                                                                                                                                             | <b>588.03</b>            | <b>360.46</b>            | <b>132.42</b>            |
| Marketing and Business Promotion Expenses include Amazon Fees amounting to ₹ 4.18 Crores, however as per Amazon Payment Sheet, these amounts to ₹ 4.40 Crores. The reimbursement of ₹ 20 Lakh has been received which has been adjusted against the same |                          |                          |                          |



| <b>Earning Per Share(EPS) as restated:<br/>ANNEXURE-XXV</b>                                                                          |                                    |                                    |                                    |
|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <b>Particulars</b>                                                                                                                   | <b>Year Ended<br/>31.03.2023</b>   | <b>Year Ended<br/>31.03.2022</b>   | <b>Year Ended<br/>31.03.2021</b>   |
| i. Net Profit as per Profit and Loss Account available for Equity Shareholders (in Lakhs)                                            | 675.57                             | 180.19                             | 73.363                             |
| ii. Weighted average number of equity shares for Earning Per Share after Considering Split and Bonus Shares                          | 2,23,20,000                        | 2,23,20,000                        | 2,21,89,205                        |
| iii. Nominal Value per Equity Share (INR)                                                                                            | 10.00                              | 10.00                              | 10.00                              |
| iv. Earning Per Share - Basic                                                                                                        | 3.03                               | 0.81                               | 0.33                               |
| <b>DETAILS OF AUDITOR'S REMUNERATION</b>                                                                                             |                                    |                                    |                                    |
| <b>Particulars</b>                                                                                                                   | <b>As at 31 March 2023</b>         | <b>As at 31 March 2022</b>         | <b>As at 31 March 2021</b>         |
| Statutory Audit                                                                                                                      | 3.00                               | 0.30                               | 0.30                               |
| Tax Audit                                                                                                                            | 3.00                               | 0.30                               | 0.30                               |
| <b>Total (amount is exclusive of GST)</b>                                                                                            | <b>6.00</b>                        | <b>0.60</b>                        | <b>0.60</b>                        |
| <b>DETAILS OF OTHER INCOME AS<br/>RESTATE<br/>ANNEXURE-XXVI</b>                                                                      |                                    |                                    |                                    |
| <b>Particulars</b>                                                                                                                   | <b>As at 31 March 2023</b>         | <b>As at 31 March 2022</b>         | <b>As at 31 March 2021</b>         |
| Other Income                                                                                                                         | 0.25                               | 0.60                               | 0.04                               |
| Net Profit before Tax as Restated                                                                                                    | 818.90                             | 244.97                             | 98.13                              |
| <b>Percentage</b>                                                                                                                    | <b>0.03%</b>                       | <b>0.24%</b>                       | <b>0.04%</b>                       |
| <b>Source of Income</b>                                                                                                              |                                    |                                    |                                    |
| Interest Income                                                                                                                      | 0.00%                              | 34.37%                             | 0.40%                              |
| Balance no longer payable                                                                                                            | 0.00%                              | 25.80%                             | 3.81%                              |
| Other Income                                                                                                                         | 24.91%                             | 0.00%                              | 0.00%                              |
| <b>Percentage</b>                                                                                                                    | <b>24.91%</b>                      | <b>60.17%</b>                      | <b>4.21%</b>                       |
| <b>DETAILS OF CONTINGENT LIABILITIES &amp; COMMITMENTS AS RESTATED<br/>ANNEXURE-XXVII</b>                                            |                                    |                                    |                                    |
| <b>Particulars</b>                                                                                                                   | <b>As at 31 March 2023<br/>INR</b> | <b>As at 31 March 2022<br/>INR</b> | <b>As at 31 March 2021<br/>INR</b> |
| I. Contingent Liabilities                                                                                                            |                                    |                                    |                                    |
| (a) Claims against the company not acknowledgement as debt;                                                                          | 13.35                              | -                                  | -                                  |
| (b) guarantees excluding financial guarantees; and                                                                                   | -                                  | -                                  | -                                  |
| (c) Other money for which the company is contingently liable.                                                                        | -                                  | -                                  | -                                  |
| II Commitments                                                                                                                       |                                    |                                    |                                    |
| (a) estimated amount of contracts remaining to be executed on capital account and not provided for Net Profit before Tax as Restated | 662.21                             | -                                  | -                                  |
| (b) uncalled liability on shares and other investments partly paid.                                                                  |                                    |                                    |                                    |
| (c) Other commitments.                                                                                                               |                                    |                                    |                                    |

**Newjaisa Technologies Limited**  
(Formerly Known as Newjaisa Technologies Private Limited)  
Notes to Financial Statements for the Year Ended March 31, 2023

**Related Party Disclosure:**

**Related Party details:**

ANNEXURE-XXVIII

**Related Party Transactions and Closing Balance:**

(INR In Lakhs)

| Name                    | Nature of Relationship                                                                                                        |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| Mukunda Raghavendra     | Director - since March 03, 2023                                                                                               |
| Prathibha               | Director - upto February 10, 2023                                                                                             |
| Vishesh Handa           | Director - since September 01, 2021 (Previous Appointment dated March 16, 2021 and ceased to be director dated July 01, 2021) |
| Ankita Handa            | Director - since January 13, 2023                                                                                             |
| Arun Kumar Handa        | Relatives of the Directors                                                                                                    |
| Kiran Handa             | Relatives of the Directors                                                                                                    |
| Rajalakshmi Gururajan   | Relatives of the Directors                                                                                                    |
| Vijay Kumar             | Relatives of the Directors                                                                                                    |
| Vanshya Enterprises LLP | Mr. Vishesh Handa and Mrs. Ankita Handa are designated partners and have equal profit sharing in Vanshya Enterprises LLP.     |

| Name                    | Nature of Transaction                                            | For the year<br>2022-23 | Balance<br>Receivables /<br>(Payable) as at<br>31.03.2023 | For the year<br>2021-22 | Balance<br>Receivables /<br>(Payable) as at<br>31.03.2022 | For the year<br>2020-21 | Balance<br>Receivables /<br>(Payable) as at<br>31.03.2021 |
|-------------------------|------------------------------------------------------------------|-------------------------|-----------------------------------------------------------|-------------------------|-----------------------------------------------------------|-------------------------|-----------------------------------------------------------|
| Vishesh Handa           | Directors Remunerations                                          | 20.00                   | 0.96                                                      | 11.76                   | 0.98                                                      |                         | -                                                         |
|                         | Unsecured loan from Director Received                            | 86.89                   | 3.27                                                      | 281.88                  | 35.71                                                     | 283.19                  | 67.69                                                     |
|                         | Unsecured loan from Director Repaid                              | 118.27                  |                                                           | 314.92                  |                                                           | 215.50                  |                                                           |
| Vanshya Enterprises LLP | Trade Advance for Supply of Materials / Services (Net of Supply) | 8.76                    | 14.11                                                     | 5.35                    | 5.35                                                      | 1.45                    | 1.45                                                      |
| Vanshya Enterprises LLP | Loan from related party received                                 |                         |                                                           |                         |                                                           | 530.30                  | -                                                         |
|                         | Loan from related party repaid                                   |                         |                                                           |                         |                                                           | 530.30                  | -                                                         |
| Prathibha               | Directors Remunerations                                          | -                       | -                                                         | 10.00                   | 19.32                                                     | 10.02                   | 10.00                                                     |
|                         | Unsecured loan from Director (net of repayment)                  | -                       | 19.32                                                     |                         |                                                           |                         |                                                           |
| Mukunda Raghavendra     | Salary to Relative of Director                                   | 19.00                   | 0.96                                                      | 11.76                   | 0.98                                                      | 10.99                   | -                                                         |
| Arun Kumar Handa        | Professional Charges paid to the Relative of the Director        | -                       | 18.25                                                     | 10.00                   | 18.25                                                     | 10.00                   | 9.25                                                      |
| Kiran Handa             |                                                                  | -                       | 18.25                                                     | 10.00                   | 18.25                                                     | 10.00                   | 9.25                                                      |
| Rajalakshmi Gururajan   |                                                                  | -                       | 18.25                                                     | 10.00                   | 18.25                                                     | 10.00                   | 9.25                                                      |

- The company has incorporated on 16th June, 2020. The gratuity has been provided during the year amounting to ₹ 4.83 Lakhs , for details refer Gratuity Disclosure as per Note 40. Further, there is no carried leave balance as on balance sheet date hence, provision for the leave encashment have not been provided.

**2 Contingent Liabilities and Litigation :**

There are no items in the nature of contingent liabilities, and as such no amounts have been provided for in the accounts except as mentioned

Income Tax: The Company has received demand notice from Income tax Department amounting to ₹ 13,35,360.00 as on 27.04.2023 on account of excess TDS claimed by the Company amounting to ₹ 11,24,300 (39,87,640-28,63,340) and balance amounting to ₹ 2,11,060 on account of difference of Interest u/s 234B and 234C. The Company has submitted response on 17-05-2023 that:

“Turnover as per the Form 26AS is INR 388899361 and actual turnover as per the financial statement after considering the sales returns and after deducting the GST liability paid is INR 279190138. However, our customers have deducted the TDS on total invoice value, which is including the GST value and amazon has ignored the sales returns while deducting the TDS. Hence there is a turnover difference. Kindly consider our reply and allow us to claim the TDS and drop the tax liability”.

**3 Capital and Other Commitments:**

There are no items in the nature of capital and other commitments and as such no amounts have been provided in the accounts.

- The previous year figures have been regrouped / reclassified, wherever necessary to confirm to current year presentation.

- The authorised capital have been increased after the balance sheet date 31st March 2023, as per the EGM vide dated 4th May 2023. The Authorized Share Capital of the Company has been increased from ₹ 36,00,000/- (Rupees Thirty-Six Lakhs only) divided into 3,60,000 (Three Lakhs Sixty Thousand) equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lakhs) equity shares of ₹ 10/- (Rupees Ten Only) each by the creation of additional 1,46,40,000 (One Crore Forty-Six Lakhs Forty Thousand) equity shares of ₹ 10/- (Rupees Ten only) each.

**6 Other Statutory Information**

- (i) The Company does not have any proceeding initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988.
- (ii) The company doesn't have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iii) The Company do not have charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period except for the charge with Axis Bank which has been satisfied by the Company on 11.05.2023
- (iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the year.
- (v) The Company has not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities ('intermediaries') with the understanding that the intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company; or
- (b) provide any guarantee, security or the like to or on behalf of the Company;
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities with the understanding that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding person or entity; or
- (b) provide any guarantee, security or the like on behalf of the funding person or entity;
- (vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (viii) The Company has obtained any borrowings from banks or financial institutions on the basis of current assets during the year. For details refer annexure
- (ix) The Company has borrowed loans from banks or financial institutions. For details refer Annexure
- (x) The Company has complied with the number of layers prescribed under the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The Company is not declared as a wilful defaulter by any bank or financial institution
- (xii) The Company has not entered into any scheme or arrangement in terms of Sec 230 to Sec 237 of the Companies Act, 2013.
- (xiii) The provision of Section 135 relating to Corporate Social Responsibility is not applicable to the Company. However, the applicability of Corporate Social Responsibility is from Financial year 2023-2024 and onwards

**As per our report of even date**

**For Abhilashi & Co.**  
**Chartered Accountants**  
**F. R. No. 016025N**

**For and on behalf of the Board**  
**Newjaisa Technologies Limited**  
*(Formerly Known as Newjaisa technologies Private Limited)*

**C.A Kuljeet Singh**  
**Partner**  
**Membership No: 530259**  
**Place: Jalandhar**  
**Date: 17/07/2023**

**Vishesh Handa**  
**MD**  
**DIN: 10060683**  
**Place: Bangalore**  
**Date: 17/07/2023**

**Mukunda Raghavendra**  
**WTD**  
**DIN: 10060683**  
**Place: Bangalore**  
**Date :**

**Poonam Jain**  
**Company Secretary**  
**Place: Bangalore**  
**Date: 17/07/2023**

**Ashish Nirmal**  
**CFO**  
**Place: Bangalore**  
**Date: 17/07/2023**

| <b>Newjaisa Technologies limited</b><br><b>(Formerly Known as Newjaisa Technologies Private Limited)</b><br><b>Significant accounting ratios as restated</b><br><b>ANNEXURE-XXIX</b> |                                                   |                      |          |                      |        |                      |        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|----------------------|----------|----------------------|--------|----------------------|--------|
| (INR In Lakhs)                                                                                                                                                                       |                                                   |                      |          |                      |        |                      |        |
| S.No.                                                                                                                                                                                | Particulars                                       | For the Year 2022-23 |          | For the Year 2021-22 |        | For the Year 2020-21 |        |
|                                                                                                                                                                                      |                                                   | Amount               | Amount   | Amount               | Amount | Amount               | Amount |
| 1                                                                                                                                                                                    | <b>Current Ratio</b>                              |                      |          |                      |        |                      |        |
|                                                                                                                                                                                      | <u>Current Assets</u>                             |                      |          |                      |        |                      |        |
|                                                                                                                                                                                      | Inventories                                       | 1,282.75             |          | 346.48               |        | 70.09                |        |
|                                                                                                                                                                                      | Trade Receivables                                 | 572.17               |          | 147.56               |        | 80.52                |        |
|                                                                                                                                                                                      | Cash and Bank Balances                            | 140.71               |          | 7.91                 |        | 138.25               |        |
|                                                                                                                                                                                      | Receivables/Accruals                              | 161.82               |          | 23.10                |        | 22.60                |        |
|                                                                                                                                                                                      |                                                   |                      | 2,157.45 |                      | 525.05 |                      | 311.46 |
|                                                                                                                                                                                      | <u>Current Liabilities</u>                        |                      |          |                      |        |                      |        |
|                                                                                                                                                                                      | Short-Term Borrowings                             | 743.70               |          | 181.82               |        | 162.64               |        |
|                                                                                                                                                                                      | Trade Payables                                    | -                    |          | -                    |        | -                    |        |
|                                                                                                                                                                                      | Statutory dues                                    | 12.82                |          | 18.28                |        | 17.58                |        |
|                                                                                                                                                                                      | Dues to others                                    | 61.94                |          | 75.42                |        | 29.05                |        |
|                                                                                                                                                                                      | Employees Dues                                    | 44.62                |          | 14.52                |        | 19.00                |        |
|                                                                                                                                                                                      | Provision for Taxation                            | 87.64                |          | 11.51                |        | 17.02                |        |
|                                                                                                                                                                                      |                                                   |                      | 950.72   |                      | 301.54 |                      | 245.28 |
|                                                                                                                                                                                      | <b>Current Ratio</b>                              |                      | 2.27     |                      | 1.74   |                      | 1.27   |
| 2                                                                                                                                                                                    | <b>Debt-Equity Ratio</b>                          |                      |          |                      |        |                      |        |
|                                                                                                                                                                                      | <u>Debts</u>                                      |                      |          |                      |        |                      |        |
|                                                                                                                                                                                      | Long Term Loans                                   | -                    |          | -                    |        | -                    |        |
|                                                                                                                                                                                      | Long Term Borrowings                              | -                    |          | -                    |        | -                    |        |
|                                                                                                                                                                                      | Debentures                                        | -                    |          | -                    |        | -                    |        |
|                                                                                                                                                                                      | Preference Shares                                 | -                    |          | -                    |        | -                    |        |
|                                                                                                                                                                                      |                                                   |                      | -        |                      | -      |                      | -      |
|                                                                                                                                                                                      | <u>Equity</u>                                     |                      |          |                      |        |                      |        |
|                                                                                                                                                                                      | Equity Share Capital                              | 36.00                |          | 36.00                |        | 1.00                 |        |
|                                                                                                                                                                                      | Reserves & Surplus                                | 894.12               |          | 218.55               |        | 73.36                |        |
|                                                                                                                                                                                      |                                                   |                      | 930.12   |                      | 254.55 |                      | 74.36  |
|                                                                                                                                                                                      | <b>Debt-Equity Ratio</b>                          |                      | -        |                      | -      |                      | -      |
| 3                                                                                                                                                                                    | <b>Debt- Service Coverage Ratio</b>               |                      |          |                      |        |                      |        |
|                                                                                                                                                                                      | <u>Debt - Earnings Available for Debt Service</u> |                      |          |                      |        |                      |        |
|                                                                                                                                                                                      | Net Profit                                        | 818.90               |          | 244.97               |        | 98.13                |        |
|                                                                                                                                                                                      | Non-Cash Operating Expenses                       | 3.72                 |          | 2.49                 |        | 0.50                 |        |
|                                                                                                                                                                                      | Non Operating Adjustments                         | 1.75                 |          | 2.06                 |        | 0.67                 |        |
|                                                                                                                                                                                      |                                                   |                      | 824.37   |                      | 249.52 |                      | 99.30  |
|                                                                                                                                                                                      | <u>Service</u>                                    |                      |          |                      |        |                      |        |
|                                                                                                                                                                                      | Interest                                          | 54.32                |          | 54.31                |        | 11.31                |        |
|                                                                                                                                                                                      | Instalments                                       | -                    |          | -                    |        | -                    |        |
|                                                                                                                                                                                      | <b>Debt- Service Coverage Ratio</b>               |                      | 15.18    |                      | 4.59   |                      | 8.78   |

| <b>Newjaisa Technologies limited</b><br><b>(Formerly Known as Newjaisa Technologies Private Limited)</b><br><b>Significant accounting ratios as restated</b><br><b>ANNEXURE-XXIX</b> |                                         |                      |              |                      |               |                      |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------|--------------|----------------------|---------------|----------------------|---------------|
| (INR In Lakhs)                                                                                                                                                                       |                                         |                      |              |                      |               |                      |               |
| S.No.                                                                                                                                                                                | Particulars                             | For the Year 2022-23 |              | For the Year 2021-22 |               | For the Year 2020-21 |               |
|                                                                                                                                                                                      |                                         | Amount               | Amount       | Amount               | Amount        | Amount               | Amount        |
| 4                                                                                                                                                                                    | <b>Return on Equity Ratio</b>           |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | <u>Profit After Taxes</u>               | 675.57               | 675.57       | 180.19               | 180.19        | 73.36                | 73.36         |
|                                                                                                                                                                                      | <u>Net Worth</u>                        |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | Total Assets                            | 2,208.70             |              | 559.15               |               | 337.99               |               |
|                                                                                                                                                                                      | Less: Liabilities                       |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | Non-Current Liabilities                 | 5.10                 |              | 3.06                 |               | 0.80                 |               |
|                                                                                                                                                                                      | Current Liabilities                     | 1,273.48             |              | 301.54               |               | 262.83               |               |
|                                                                                                                                                                                      |                                         |                      | 930.12       |                      | 254.55        |                      | 74.36         |
|                                                                                                                                                                                      | <b>Return on Equity Ratio</b>           |                      | <b>0.73</b>  |                      | <b>0.71</b>   |                      | <b>0.99</b>   |
| 5                                                                                                                                                                                    | <b>Inventory Turnover Ratio</b>         |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | <u>Turnover</u>                         |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | Revenue                                 | 4,452.98             | 4,452.98     | 2,791.90             | 2,791.90      | 960.67               | 960.67        |
|                                                                                                                                                                                      | <u>Inventory</u>                        |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | Opening Balance                         | 346.48               |              | 70.09                |               | -                    |               |
|                                                                                                                                                                                      | Closing Balance                         | 1,282.75             | 814.62       | 346.48               | 208.29        | 70.09                | 35.05         |
|                                                                                                                                                                                      |                                         |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | <b>Inventory Turnover Ratio</b>         |                      | <b>5.47</b>  |                      | <b>13.40</b>  |                      | <b>27.41</b>  |
| 6                                                                                                                                                                                    | <b>Trade Receivables Turnover Ratio</b> |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | <u>Turnover</u>                         |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | Revenue                                 | 4,452.98             | 4,452.98     | 2,791.90             | 2,791.90      | 960.67               | 960.67        |
|                                                                                                                                                                                      | <u>Average Trade Receivables</u>        |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | Opening Trade Receivables               | 147.56               |              | 80.52                |               | -                    |               |
|                                                                                                                                                                                      | Closing Trade Receivables               | 572.17               |              | 147.56               |               | 80.52                |               |
|                                                                                                                                                                                      |                                         |                      | 359.87       |                      | 114.04        |                      | 40.26         |
|                                                                                                                                                                                      | <b>Trade Receivables Turnover Ratio</b> |                      | <b>12.37</b> |                      | <b>24.48</b>  |                      | <b>23.86</b>  |
| 7                                                                                                                                                                                    | <b>Trade Payables Turnover Ratio</b>    |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | <u>Turnover</u>                         |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | Revenue                                 | 4,452.98             | 4,452.98     | 2,791.90             | 2,791.90      | 960.67               | 960.67        |
|                                                                                                                                                                                      | <u>Average Trade Payables</u>           |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | Opening Trade Payables                  | -                    |              | 17.55                |               | -                    |               |
|                                                                                                                                                                                      | Closing Trade Payables                  | 321.72               | 160.86       | -                    | 8.78          | 17.55                | 8.78          |
|                                                                                                                                                                                      |                                         |                      |              |                      |               |                      |               |
|                                                                                                                                                                                      | <b>Trade Payables Turnover Ratio</b>    |                      | <b>27.68</b> |                      | <b>318.17</b> |                      | <b>109.48</b> |

| <b>Newjaisa Technologies limited</b><br><b>(Formerly Known as Newjaisa Technologies Private Limited)</b><br><b>Significant accounting ratios as restated</b><br><b>ANNEXURE-XXIX</b> |                                   |                      |              |                      |              |                      |              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------|--------------|----------------------|--------------|----------------------|--------------|
| (INR In Lakhs)                                                                                                                                                                       |                                   |                      |              |                      |              |                      |              |
| S.No.                                                                                                                                                                                | Particulars                       | For the Year 2022-23 |              | For the Year 2021-22 |              | For the Year 2020-21 |              |
|                                                                                                                                                                                      |                                   | Amount               | Amount       | Amount               | Amount       | Amount               | Amount       |
| 8                                                                                                                                                                                    | <b>Net Capital Turnover Ratio</b> |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <u>Turnover</u>                   |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | Revenue                           | 4,452.98             | 4,452.98     | 2,791.90             | 2,791.90     | 960.67               | 960.67       |
|                                                                                                                                                                                      |                                   |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <u>Capital Employed</u>           |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | Equity Share Capital              | 36.00                |              | 36.00                |              | 1.00                 |              |
|                                                                                                                                                                                      | Reserves & Surplus                | 894.12               |              | 218.55               |              | 73.36                |              |
|                                                                                                                                                                                      | Preference Share Capital          | -                    |              | -                    |              | -                    |              |
|                                                                                                                                                                                      | Debentures & Other Long Term Loan | -                    |              | -                    |              | -                    |              |
|                                                                                                                                                                                      | Less: Misc. Expenditure & Losses  | -                    |              | -                    |              | -                    |              |
|                                                                                                                                                                                      | Less: Non- Trade Investments      | -                    |              | -                    |              | -                    |              |
|                                                                                                                                                                                      |                                   |                      | 930.12       |                      | 254.55       |                      | 74.36        |
|                                                                                                                                                                                      | <b>Net Capital Turnover Ratio</b> |                      | <b>4.79</b>  |                      | <b>10.97</b> |                      | <b>12.92</b> |
| 9                                                                                                                                                                                    | <b>Net Profit Ratio</b>           |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <u>Net Profit</u>                 | 675.57               | 675.57       | 180.19               | 180.19       | 73.36                | 73.36        |
|                                                                                                                                                                                      |                                   |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <u>Turnover</u>                   |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | Revenue                           | 4,452.98             | 4,452.98     | 2,791.90             | 2,791.90     | 960.67               | 960.67       |
|                                                                                                                                                                                      |                                   |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <b>Net Profit Ratio</b>           |                      | <b>0.15</b>  |                      | <b>0.06</b>  |                      | <b>0.08</b>  |
| 10                                                                                                                                                                                   | <b>Return on capital Employed</b> |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <u>Return</u>                     | 675.57               | 675.57       | 180.19               | 180.19       | 73.36                | 73.36        |
|                                                                                                                                                                                      |                                   |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <u>Capital Employed</u>           |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | Equity Share Capital              | 36.00                |              | 36.00                |              | 1.00                 |              |
|                                                                                                                                                                                      | Reserves & Surplus                | 894.12               |              | 218.55               |              | 73.36                |              |
|                                                                                                                                                                                      |                                   |                      | 930.12       |                      | 254.55       |                      | 74.36        |
|                                                                                                                                                                                      | <b>Return on Capital Employed</b> |                      | <b>0.73</b>  |                      | <b>0.71</b>  |                      | <b>0.99</b>  |
| 11                                                                                                                                                                                   | <b>Return on Investment</b>       |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <u>Return</u>                     | 675.57               | 675.57       | 180.19               | 180.19       | 73.36                | 73.36        |
|                                                                                                                                                                                      |                                   |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | Equity Share Capital              | 36.00                |              | 36.00                |              | 1.00                 |              |
|                                                                                                                                                                                      | Reserves & Surplus                | 894.12               |              | 218.55               |              | 73.36                |              |
|                                                                                                                                                                                      |                                   |                      | 930.12       |                      | 254.55       |                      | 74.36        |
|                                                                                                                                                                                      | <b>Return on Investment</b>       |                      | <b>0.73</b>  |                      | <b>0.71</b>  |                      | <b>0.99</b>  |
| 12                                                                                                                                                                                   | <b>Inventory Days</b>             |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <b>Turnover</b>                   |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | Revenue                           | 4,452.98             | 4,452.98     | 2,791.90             | 2,791.90     | 960.67               | 960.67       |
|                                                                                                                                                                                      | Inventory                         |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | Opening Balance                   | 346.48               |              | 70.09                |              | -                    |              |
|                                                                                                                                                                                      | Closing Balance                   | 1282.75              |              | 346.48               |              | 70.09                |              |
|                                                                                                                                                                                      |                                   |                      | 814.62       |                      | 208.29       |                      | 35.05        |
|                                                                                                                                                                                      | <b>Inventory Days</b>             |                      | <b>67.00</b> |                      | <b>28.00</b> |                      | <b>13.00</b> |
| 13                                                                                                                                                                                   | <b>Trade Receivable Days</b>      |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | <b>Turnover</b>                   |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | Revenue                           | 4,452.98             | 4,452.98     | 2,791.90             | 2,791.90     | 960.67               | 960.67       |
|                                                                                                                                                                                      | <u>Average Trade Receivables</u>  |                      |              |                      |              |                      |              |
|                                                                                                                                                                                      | Opening                           | 147.56               |              | 80.52                |              | -                    |              |
|                                                                                                                                                                                      | Closing                           | 572.17               |              | 147.56               |              | 80.52                |              |
|                                                                                                                                                                                      |                                   |                      | 359.87       |                      | 114.04       |                      | 40.26        |
|                                                                                                                                                                                      | <b>Trade Receivables in Days</b>  |                      | <b>30.00</b> |                      | <b>15.00</b> |                      | <b>16.00</b> |

| <b>Newjaisa Technologies limited</b><br><b>(Formerly Known as Newjaisa Technologies Private Limited)</b><br><b>Significant accounting ratios as restated</b><br><b>ANNEXURE-XXIX</b> |                                                      |                      |              |                      |             |                      |             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|----------------------|--------------|----------------------|-------------|----------------------|-------------|
| (INR In Lakhs)                                                                                                                                                                       |                                                      |                      |              |                      |             |                      |             |
| S.No.                                                                                                                                                                                | Particulars                                          | For the Year 2022-23 |              | For the Year 2021-22 |             | For the Year 2020-21 |             |
|                                                                                                                                                                                      |                                                      | Amount               | Amount       | Amount               | Amount      | Amount               | Amount      |
| 14                                                                                                                                                                                   | <b>Trade Payable Ratio In Days</b>                   |                      |              |                      |             |                      |             |
|                                                                                                                                                                                      | Cost of Goods Sold                                   | 2,520.18             | 2,520.18     | 1,907.14             | 1,907.14    | 642.10               | 642.10      |
|                                                                                                                                                                                      | Opening Trade Payable                                | -                    |              | 17.55                |             | -                    |             |
|                                                                                                                                                                                      | Closing Trade Payable (net off advances to supplier) | 172.83               |              | -                    |             | 17.55                |             |
|                                                                                                                                                                                      |                                                      |                      |              |                      |             |                      |             |
|                                                                                                                                                                                      |                                                      |                      | 86.42        |                      | 8.78        |                      | 8.78        |
|                                                                                                                                                                                      | <b>Trade Payable Ratio in Days</b>                   |                      | <b>13.00</b> |                      | <b>2.00</b> |                      | <b>5.00</b> |
| <b>Note: There are substantial growth in the business of the company as a result of which, there is change in the ratios equivalent to the business growth of the company</b>        |                                                      |                      |              |                      |             |                      |             |

|       |                                                                                                                                                                  |                                               |                                               |                                               |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| (iii) | <b>Newjaisa Technologies Limited (Formerly Known as Newjaisa Technologies Private Limited)</b>                                                                   |                                               |                                               |                                               |
|       | <b>Earnings per Share Restated</b>                                                                                                                               |                                               |                                               |                                               |
|       | <b>ANNEXURE -XXX</b>                                                                                                                                             |                                               |                                               |                                               |
|       | <b>Earnings per Share -</b>                                                                                                                                      |                                               |                                               |                                               |
|       | Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding. The |                                               |                                               |                                               |
|       | reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary equity shares  |                                               |                                               |                                               |
|       | used in the calculation of basic earnings per share is as follows:                                                                                               |                                               |                                               |                                               |
|       | <b>EPS CALCULATED CONSIDERING STOCK SPLIT - 1 EQUITY SHARE OF FACE VALUE ₹ 10 SPLIT INTO 2 EQUITY SHARES OF FACE VALUE ₹ 5.00 AND</b>                            |                                               |                                               |                                               |
|       | <b>CONSIDERING BONUS SHARES -30 SHARES FOR 1 SHARES</b>                                                                                                          |                                               |                                               |                                               |
|       | <b>Number of Shares(In Lakhs)</b>                                                                                                                                | <b>For the year Ended 31st<br/>March 2023</b> | <b>For the year Ended 31st<br/>March 2022</b> | <b>For the Year Ended 31st<br/>March 2021</b> |
|       | Opening Before Stock Split                                                                                                                                       | 3,60,000.00                                   | 10000.00                                      | 10000.00                                      |
|       | Opening After Stock Split                                                                                                                                        | 7,20,000.00                                   | 20000.00                                      |                                               |
|       | Bonus Shares Issued                                                                                                                                              | -                                             | 350000.00                                     |                                               |
|       | Bonus After Stock Split                                                                                                                                          |                                               | 700000.00                                     | 20000.00                                      |
|       | Bonus Post Balance Sheet 31.03.2023                                                                                                                              | 2,16,00,000.0                                 |                                               |                                               |
|       | <b>No of Shares Post Bonus</b>                                                                                                                                   | <b>2,23,20,000.00</b>                         | <b>700000.00</b>                              | <b>20,000.00</b>                              |
|       |                                                                                                                                                                  |                                               |                                               |                                               |
|       | <b>Weighted Average Number of Shares(In Lakhs)</b>                                                                                                               | <b>For the year Ended 31st<br/>March 2023</b> | <b>For the year Ended 31st<br/>March 2022</b> | <b>For the Year Ended 31st<br/>March 2021</b> |
|       | Opening                                                                                                                                                          | 10000.00                                      | 10,000.00                                     | 7890.41                                       |
|       | Bonus Shares Issued                                                                                                                                              | 350000.00                                     | 3,50,000.00                                   | 350000.00                                     |
|       | After Stock Split                                                                                                                                                | 720000.00                                     | 7,20,000.00                                   | 715780.82                                     |
|       | Bonus Post Balance Sheet 31.03.2023                                                                                                                              | 21600000.00                                   | 2,16,00,000.00                                | 21473424.66                                   |
|       |                                                                                                                                                                  | 22320000.00                                   | 2,23,20,000.00                                | 2,21,89,205.48                                |
|       |                                                                                                                                                                  |                                               |                                               |                                               |
|       | The numerators and denominators used to calculate basic and diluted Eps are as follows: (INR In Lakhs)                                                           |                                               |                                               |                                               |
|       | <b>Particulars</b>                                                                                                                                               | <b>For the year Ended 31st<br/>March 2023</b> | <b>For the year Ended 31st<br/>March 2022</b> | <b>For the Year Ended 31st<br/>March 2021</b> |
|       | Profit attributable to Equity Shareholders (A)                                                                                                                   | 675.57                                        | 180.19                                        | 73.36                                         |
|       | Number of Equity Shares (B)                                                                                                                                      | 2,23,20,000.00                                | 7,00,000.00                                   | 20000.00                                      |
|       | Weighted Average Number of Equity Shares (C)                                                                                                                     | 2,23,20,000.00                                | 2,23,20,000.00                                | 22189205.48                                   |
|       |                                                                                                                                                                  |                                               |                                               |                                               |
|       | Nominal Value per Equity Share is ₹ 5                                                                                                                            |                                               |                                               |                                               |
|       | <b>Earnings per equity share</b>                                                                                                                                 |                                               |                                               |                                               |
|       | Basic (D) (D = A/C)                                                                                                                                              | 3.03                                          | 0.81                                          | 0.33                                          |



|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|-------------|------------------------------------|
| Newjaisa Technologies Limited<br>(Formerly Known as Newjaisa Technologies Private Limited) Statement of<br>Restatment Adjustments<br>ANNEXURE- XXXI<br>Restatement adjustments to the financial statements of the company                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
| 1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Impact on Restated Total Income |       |                                    | (INR In Lakhs)                     |                                    |                                    |             |                                    |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                 |       |                                    | For the year ended 31st March 2023 | For the year ended 31st March 2023 | For the year ended 31st March 2021 |             |                                    |
| Total Income as per audited statement of profit and loss                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                 |       |                                    | 4,453.23                           | 2,792.50                           | 960.71                             |             |                                    |
| Restatement Adjustments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
| (i) Audit Qualifications                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                 |       |                                    | -                                  | -                                  | -                                  |             |                                    |
| (ii) Other Adjustments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                 |       |                                    | -                                  | -                                  | -                                  |             |                                    |
| Restated Total Income                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                 |       |                                    | 4453.23                            | 2792.50                            | 960.71                             |             |                                    |
| 2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Impact on Total Equity          |       |                                    | (INR In Lakhs)                     |                                    |                                    |             |                                    |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                 |       |                                    | For the year ended 31st March 2023 | For the year ended 31st March 2023 | For the year ended 31st March 2021 |             |                                    |
| Total Equity as per Audited Financials (A)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                 |       |                                    | 930.63                             | 257.02                             | 74.86                              |             |                                    |
| Restatement Adjustments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
| (i) Audit Qualifications                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                 |       |                                    |                                    | -                                  |                                    |             |                                    |
| (ii) Other Adjustments (B) (C+D+E-F+G)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                 |       |                                    | 0.51                               | 2.47                               | 0.5                                |             |                                    |
| Opening Balance of Gratuity in Restatement but not in Audited Financials(C)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                 |       |                                    | -                                  | 0.67                               | -                                  |             |                                    |
| Gratuity Provided During The Year In Restatement but not in Audited Financials (D)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                 |       |                                    | -                                  | 2.41                               | 0.67                               |             |                                    |
| Deffered Tax Liability /( Asset) as per Restatement (E)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                 |       |                                    | 0.27                               | -0.02                              | 0.13                               |             |                                    |
| Deffered Tax (Asset) / Liability as per Audited Financials (F)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                 |       |                                    | -0.26                              | 0.59                               | 0.3                                |             |                                    |
| Rounding Off                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |       |                                    | -0.02                              |                                    |                                    |             |                                    |
| Restated Total Equity (A-B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                 |       |                                    | 930.12                             | 254.55                             | 74.36                              |             |                                    |
| Material regrouping/reclassification<br>Appropriate adjustments have been made in the restated statement of assets and liabilities , restated statement of profit and loss, restated statement of cash flows wherever required, by a reclassification of the corresponding items of income , expenses, assets , liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended 31st March 2023, prepared in accordance with Schedule III to the Act and the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended) |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
| 3)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Impact on Financial Line Items  |       |                                    | (INR In Lakhs)                     |                                    |                                    |             |                                    |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                 | Notes | Amount as on 31.03.2022 (Reported) | Adjustments                        | Amount as on 31.03.2022 (Restated) | Amount as on 31.03.2021 (Reported) | Adjustments | Amount as on 31.03.2021 (Restated) |
| Statement of Profit and Loss -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                 |       |                                    |                                    | 0                                  | 0.00                               | 0           |                                    |
| Employee Benefit Expenses - Gratuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 | 3.10  | 220.73                             | 2.40                               | 223.13                             | 75.58                              | 0.67        | 76.25                              |
| Non- Current Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
| Long Term Provisions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 | 3.20  | 0.00                               | 308.34                             | 308.34                             | 0.00                               | 67.63       | 67.63                              |
| 3.1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
| Employee Benefit Expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                 |       | Amount as on 31.03.2022            | Amount as on 31.03.2022            |                                    |                                    |             |                                    |
| Amount as per Audited Financials                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                 |       | 220.73                             | 75.58                              |                                    |                                    |             |                                    |
| Add: Provision for Gratuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                 |       | 2.41                               | 0.67                               |                                    |                                    |             |                                    |
| Rounding Off                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |       | -0.01                              |                                    |                                    |                                    |             |                                    |
| Total Amount of Adjustments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                 |       | 2.40                               |                                    |                                    |                                    |             |                                    |
| Total Amount as per Restated Financials                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                 |       | 223.13                             | 76.25                              |                                    |                                    |             |                                    |
| 3.2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
| Non Current Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                 |       | Amount as on 31.03.2022            | Amount as on 31.03.2022            |                                    |                                    |             |                                    |
| Amount as per Audited Financials                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                 |       | -                                  | -                                  |                                    |                                    |             |                                    |
| Add: Provision for Gratuity Opening Balance (A)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                 |       | 0.67                               |                                    |                                    |                                    |             |                                    |
| Add: Provision for Gratuity (B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                 |       | 2.41                               | 0.67                               |                                    |                                    |             |                                    |
| Total Amount as per Restated Financials (A+B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                 |       | 3.08                               | 0.67                               |                                    |                                    |             |                                    |
| The Amount for Gratuity has been provided in accordance with Valuation Report of Acutary and accordingly Long Term Provision has been Provided                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
| 4)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Reconciliation of Profits       |       |                                    | (INR In Lakhs)                     |                                    |                                    |             |                                    |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                 |       |                                    | For the year ended 31st March 2023 | For the year ended 31st March 2022 | For the year ended 31st March 2021 |             |                                    |
| Total Profit Before Taxes as per Audited Financial Statements (A)Restatement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |       |                                    | 815.81                             | 247.38                             | 98.79                              |             |                                    |
| Adjustments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |       |                                    |                                    |                                    |                                    |             |                                    |
| (i) Audit Qualifications                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                 |       |                                    | -                                  | -                                  | -                                  |             |                                    |
| (ii) Other Adjustments (B) (C+D-E-F)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |       |                                    | 3.09                               | 2.41                               | 0.66                               |             |                                    |
| Gratuity Provision Not Provided in Audited Financials (C)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                 |       |                                    | 0.00                               | 2.41                               | 0.67                               |             |                                    |
| Gratuity Provision Provided in Audited Financials for Financial Year 2022-2023 (D)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                 |       |                                    | 4.83                               | 0.00                               | 0.00                               |             |                                    |
| Gratuity Provision Provided in Restatement with Respect to Financial Year 2022-2023 ( E )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                 |       |                                    | 1.75                               | 0.00                               | 0.00                               |             |                                    |
| Rounding off (F)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                 |       |                                    | -0.01                              | -                                  | 0.01                               |             |                                    |
| Restated Total Profits Before Taxes (A-B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                 |       |                                    | 818.90                             | 244.97                             | 98.13                              |             |                                    |

**Newjaisa Technologies Limited**  
**(Formerly Known as Newjaisa Technologies Private Limited)**  
**Reconciliation of Balance Sheet**  
**ANNEXURE- XXXII**

(INR In Lakhs)

| Particulars                                        | For Year Ended<br>31.03.2023 | For Year Ended<br>31.03.2022 | For Year Ended<br>31.03.2021 |
|----------------------------------------------------|------------------------------|------------------------------|------------------------------|
| Total Liabilities As Per Audited Financials (A)    | 2208.94                      | 559.14                       | 337.99                       |
| Add - Long Term Provisions                         |                              | 3.08                         | 0.67                         |
| Less : Deffered Tax Asset as per Restatement       | 0.00                         | 0.02                         | 0.00                         |
| Less : Adjustment under Equity head                | 0.51                         | 2.47                         | 0.50                         |
| Less : Deferred Tax Liability as per Financials    | 0.00                         | 0.59                         | 0.30                         |
| Add- Deferred Tax Liabilities as per Restatement   | 0.27                         |                              | 0.13                         |
| Add : Runding Off                                  |                              | 0.01                         |                              |
| Total Liabilities As Per Restated Financials (A-B) | 2208.70                      | 559.15                       | 337.99                       |
| Total Assets As Per Audited Financials ( C)        | 2208.94                      | 559.14                       | 337.99                       |
| Less - DTA as per Financials (D)                   | 0.26                         | 0.00                         | 0.00                         |
| Add- Rounding Off                                  | 0.02                         | 0.01                         | 0.00                         |
| Total Assets As Per Restatement (C-D)              | 2208.70                      | 559.15                       | 337.99                       |

**Newjaisa Technologies Limited****(Formerly Known as Newjaisa Technologies Private Limited)****ANNEXURE- XXXIII****Restatement of previously reported financial information**

During the current year ended 31st March 2023, the company has restated the comparative financial information as on 31st March 2022 and 31st March 2021 due to classification of certain balances. The impact of these adjustments is not considered to be material to the company and the impact of restatement is detailed as below:

**A) Impact on financial information line items**

(INR In Lakhs)

| Particulars                                              | Notes | Amount as on<br>31.03.2022<br>(Reported) | Adjustments | Amount as on<br>31.03.2022<br>(Restated) | Amount as on<br>31.03.2021<br>(Reported) | Adjustments | Amount as on<br>31.03.2021<br>(Restated) |
|----------------------------------------------------------|-------|------------------------------------------|-------------|------------------------------------------|------------------------------------------|-------------|------------------------------------------|
| Statement of Profit and Loss - Employee Benefit Expenses |       | 220.73                                   | 2.40        | 223.13                                   | 7558.26                                  | 67.63       | 7625.89                                  |
| Non- Current Liabilities                                 |       |                                          |             |                                          |                                          |             |                                          |
| Long Term Provisions                                     |       | -                                        | 3.08        | 3.08                                     | -                                        | 0.67        | 0.67                                     |

**(B) Impact on Statement of Cash flows**

No Impact on Cash Flow Statements as Provision for Gratuity Being Non Cash / Non Operating Item has been added back under the head Adjustment for Non Cash / Non Operating Expenses

**(C) Reconciliation of Balance Sheet Items****Impact on Total Equity**

(INR In Lakhs)

| Particulars                                | For the year<br>ended<br>31.03.2023 | For the year<br>ended<br>31.03.2022 | For the year<br>ended<br>31.03.2021 |
|--------------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Total Equity as per Audited Financials (A) | 930.63                              | 257.02                              | 74.86                               |
| Restatement Adjustments:                   |                                     |                                     |                                     |
| (i) Audit Qualifications                   | -                                   | -                                   | -                                   |
| (ii) Other Adjustments (B) (C+D-E-F+G)     | 0.51                                | 2.47                                | 0.50                                |
| Opening Balance of Gratuity (C)            | 0                                   | 0.67                                | 0                                   |
| Gratuity Provided During The Year (D)      | 0                                   | 2.41                                | 0.67                                |
| Deffered Tax as per Restatement (E)        | 0.27                                | -0.02                               | 0.13                                |
| Deffered Tax as per Audited Financials (F) | -0.26                               | 0.59                                | 0.30                                |
| Rounding Off (G)                           | -0.02                               |                                     |                                     |
| Restated Total Equity (A+B)                | 930.12                              | 254.55                              | 74.36                               |

**NEWJAISA TECHNOLOGIES LIMITED**  
(Formerly Known as Newjaisa Technologies Private Limited)

**ANNEXURE-XXXIIIIV**

(INR In Lakhs)

| <b>Income tax Expense</b>                                                                                                                                                                                               |                                                                                                 | <b>For the year Ended<br/>31st March 2023</b> | <b>For the year Ended<br/>31st March 2022</b> | <b>For the year Ended<br/>31st March 2021</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| (i)                                                                                                                                                                                                                     | <b>Profit and Loss</b>                                                                          |                                               |                                               |                                               |
|                                                                                                                                                                                                                         | Income tax expense                                                                              |                                               |                                               |                                               |
|                                                                                                                                                                                                                         | Current year                                                                                    | -141.13                                       | -61.99                                        | -24.64                                        |
|                                                                                                                                                                                                                         | Prior years                                                                                     | -1.92                                         | -2.95                                         | -                                             |
|                                                                                                                                                                                                                         | Deferred tax                                                                                    | -0.29                                         | 0.15                                          | -0.13                                         |
|                                                                                                                                                                                                                         | <b>Total</b>                                                                                    | <b>-143.34</b>                                | <b>-64.78</b>                                 | <b>-24.77</b>                                 |
| (ii)                                                                                                                                                                                                                    | <b>Reconciliation of effective tax rate :</b>                                                   |                                               |                                               |                                               |
|                                                                                                                                                                                                                         | Reconciliation of tax expense and the accounting profit multiplied by the domestic tax rate :   |                                               |                                               |                                               |
|                                                                                                                                                                                                                         |                                                                                                 |                                               |                                               |                                               |
|                                                                                                                                                                                                                         | <b>Particulars</b>                                                                              | <b>For the year Ended<br/>31st March 2023</b> | <b>For the year Ended<br/>31st March 2022</b> | <b>For the Year Ended<br/>31st March 2021</b> |
|                                                                                                                                                                                                                         | Profit before income tax expense                                                                | 818.90                                        | 244.97                                        | 98.13                                         |
|                                                                                                                                                                                                                         | Tax using rate specified u/s 115BAB for FY22-23 and 115BAA for Pre                              | 140.52                                        | 61.63                                         | 24.70                                         |
|                                                                                                                                                                                                                         | <b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income :</b> |                                               |                                               |                                               |
|                                                                                                                                                                                                                         | Interest on Tds                                                                                 | 0.02                                          | 0.01                                          | 0.00                                          |
|                                                                                                                                                                                                                         | Depreciation as Per Companies Act                                                               | 0.64                                          | 0.63                                          | 0.13                                          |
|                                                                                                                                                                                                                         | Depreciation as per Income Tax Act                                                              | -0.80                                         | -0.91                                         | -0.43                                         |
|                                                                                                                                                                                                                         | Provision for Gratuity                                                                          | 0.30                                          | 0.61                                          | 0.12                                          |
|                                                                                                                                                                                                                         | Disallowance u/s 43B                                                                            | 0.45                                          | 0.00                                          | 0.00                                          |
|                                                                                                                                                                                                                         | Disallowance u/s 37                                                                             | 0.00                                          | 0.00                                          | 0.07                                          |
|                                                                                                                                                                                                                         | Rounding Off                                                                                    |                                               | 0.01                                          | 0.05                                          |
|                                                                                                                                                                                                                         | Total (1)                                                                                       | 141.13                                        | 61.98                                         | 24.64                                         |
|                                                                                                                                                                                                                         | Others - Prior Years Tax , Deffered Tax (2)                                                     | 2.21                                          | 2.80                                          | 0.13                                          |
|                                                                                                                                                                                                                         | <b>Total (1+2)</b>                                                                              | <b>143.34</b>                                 | <b>64.78</b>                                  | <b>24.77</b>                                  |
| <b>With Respect to Financial Year 2022-2023, the company is opting for Section 115BAA , however for last 2 financial years the Company has opted Section 115BAB and accordingly Reconciliation of tax has been done</b> |                                                                                                 |                                               |                                               |                                               |

**Newjaisa Technologies Limited**  
(Formerly Known as Newjaisa Technologies Private Limited)

**ANNEXURE-  
XXXV**

**Reconciliation of Deferred Tax on Account of Depreciation**

(INR In Lakhs)

| Particulars                                                                | Restated<br>2022-2023 | Restated<br>2021-2022 | Restated<br>2020-2021 |
|----------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| Opening Provision                                                          | 0.59                  | 0.30                  | 0                     |
| Provision at the Year End on account of Depericiation<br>as per Financials | 0.57                  | 0.59                  | 0.30                  |
| Provision during the Year on account of Depericiation<br>as per Financials | -0.02                 | 0.29                  | 0.30                  |

**Reconciliation of Deferred Tax Asset on Account of Gratuity**

(INR In Lakhs)

| Particulars                                                                    | 2022-2023 | 2021-2022 | 2020-2021 |
|--------------------------------------------------------------------------------|-----------|-----------|-----------|
| Opening Gratuity as Per Restated Financials (A)                                | 3.08      | 0.67      | -         |
| Gratuity Amount Provided during the year (B)                                   | 1.75      | 2.41      | 0.67      |
| Closing as per Restated ( C )                                                  | 4.83      | 3.08      | 0.67      |
| DTA as per Restated Financials at Year End ( D ) = (B*25.168%)                 | -         | 0.61      | 0.17      |
| Closing DTA as per Restated Financials (E) = (B *17.16%)                       | 0.30      | -         | -         |
| Less - DTA on account of Tax rate Difference (F) (B* 25.168%-17.16%)           | -         | 0.19      | 0.05      |
| CLOSING DTA IF GRATUITY WOULD HAVE BEEN ACCOUNTED IN RESPECTIVE<br>YEARS (G)   | 0.30      | 0.41      | 0.11      |
| TOTAL (E-F)                                                                    | 0.30      | 0.41      | 0.11      |
| SUM OF ALL THREE YEARS (0.30 +0.41 +0.11)                                      | 0.83      |           |           |
| Deferred Tax as per Financials on Account of Gratuity Provided in FY 2022-2023 | 0.83      |           |           |

(INR In Lakhs)

| Particulars                                                                                  | 2022-2023 | 2021-2022 | 2020-2021 |
|----------------------------------------------------------------------------------------------|-----------|-----------|-----------|
| DEFFERED TAX LIABILITY / (ASSET )AS PER FINANCIALS                                           | (0.26)    | 0.59      | 0.30      |
| Less: Deferred Tax Asset on Account of Gratuity not provided in financialsAdd:               |           | 0.61      | 0.17      |
| Deferred Tax (Asset) on Account of Gratuity provided in financials Deferred Tax<br>Liability | 0.83      |           |           |
| Less: Deferred Tax Asset on Account of Gratuity provided in Restatement                      | 0.57      |           |           |
| DEFFERED TAX LIABILITY / (ASSET) AS PER RESTATEMENT                                          | 0.27      | (0.02)    | 0.13      |

The difference between taxable income and the net profit or loss before tax for the year as per financial statements are identified and the tax effect of the deferred tax asset or deferred tax liability is recorded for timing differences i.e., differences that originate in one accounting period and reverse in another. The tax effect is calculated on accumulated timing differences at the end of the accounting year based on effective tax rates that would apply in the years in which the timing differences are expected to reverse.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

|  |                                                                                                                                                                                                                                                                                                                                                                                                            |                            |                            |                            |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|
|  | <b>Newjaisa Technologies Limited</b>                                                                                                                                                                                                                                                                                                                                                                       |                            |                            |                            |
|  | <b>(Formerly Known as Newjaisa Technologies Private Limited)</b>                                                                                                                                                                                                                                                                                                                                           |                            |                            |                            |
|  | <b>Gratuity Disclosure and Long Term Provisions</b>                                                                                                                                                                                                                                                                                                                                                        |                            | <b>ANNEXURE-XXXVI</b>      |                            |
|  | <b>Employee Benefits - AS 15 (Disclosure)</b>                                                                                                                                                                                                                                                                                                                                                              |                            |                            |                            |
|  | The company has accounted for defined benefit plans in the form of gratuity and leave encashment to employees as per actuarial valuation as at 31.3.2022. The actuarial assumptions in respect of the benefit plan are as under:                                                                                                                                                                           |                            |                            |                            |
|  | i) Principal Actuarial Assumptions                                                                                                                                                                                                                                                                                                                                                                         |                            |                            |                            |
|  | <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                         | <b>As at 31 March 2023</b> | <b>As at 31 March 2022</b> | <b>As at 31 March 2021</b> |
|  |                                                                                                                                                                                                                                                                                                                                                                                                            | <b>(INR Lakhs)</b>         | <b>(INR Lakhs)</b>         | <b>(INR Lakhs)</b>         |
|  | Discount rate                                                                                                                                                                                                                                                                                                                                                                                              | 7.55%                      | 7.47%                      | 7.16%                      |
|  | Attrition Rate                                                                                                                                                                                                                                                                                                                                                                                             | 10.00%                     | 10.00%                     | 10.00%                     |
|  | Salary Escalation                                                                                                                                                                                                                                                                                                                                                                                          | 3.00%                      | 3.00%                      | 6.00%                      |
|  | ii) Table showing changes in present value of obligations                                                                                                                                                                                                                                                                                                                                                  |                            |                            |                            |
|  | <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                         | <b>As at 31 March 2023</b> | <b>As at 31 March 2022</b> | <b>As at 31 March 2021</b> |
|  |                                                                                                                                                                                                                                                                                                                                                                                                            | <b>(INR Lakhs)</b>         | <b>(INR Lakhs)</b>         | <b>(INR Lakhs)</b>         |
|  | Current service cost                                                                                                                                                                                                                                                                                                                                                                                       | 2.06                       | 1.79                       | 0.67                       |
|  | Interest cost                                                                                                                                                                                                                                                                                                                                                                                              | 0.23                       | 0.05                       | 0.00                       |
|  | Actuarial (gain)/loss                                                                                                                                                                                                                                                                                                                                                                                      | -0.54                      | 0.57                       | 0.00                       |
|  | Defined benefits recognised in P/L                                                                                                                                                                                                                                                                                                                                                                         | 1.75                       | 2.41                       | 0.67                       |
|  | iii) Actuarial Gain / Loss recognized                                                                                                                                                                                                                                                                                                                                                                      |                            |                            |                            |
|  | <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                         | <b>As at 31 March 2023</b> | <b>As at 31 March 2022</b> | <b>As at 31 March 2021</b> |
|  |                                                                                                                                                                                                                                                                                                                                                                                                            | <b>(INR Lakhs)</b>         | <b>(INR Lakhs)</b>         | <b>(INR Lakhs)</b>         |
|  | Total Actuarial Loss/(Gain)                                                                                                                                                                                                                                                                                                                                                                                | -0.54                      | 0.57                       | -                          |
|  | iv) Amount to be recognized in the balance sheet                                                                                                                                                                                                                                                                                                                                                           |                            |                            |                            |
|  | <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                         | <b>As at 31 March 2023</b> | <b>As at 31 March 2022</b> | <b>As at 31 March 2021</b> |
|  |                                                                                                                                                                                                                                                                                                                                                                                                            | <b>(INR Lakhs)</b>         | <b>(INR Lakhs)</b>         | <b>(INR Lakhs)</b>         |
|  | Present value of obligations at the beginning of the year                                                                                                                                                                                                                                                                                                                                                  | 3.08                       | 0.68                       | 0.00                       |
|  | Interest cost                                                                                                                                                                                                                                                                                                                                                                                              | 0.23                       | 0.05                       | 0.00                       |
|  | Current Service Cost                                                                                                                                                                                                                                                                                                                                                                                       | 2.06                       | 1.79                       | 0.67                       |
|  | Benefits Paid                                                                                                                                                                                                                                                                                                                                                                                              | 0.00                       | 0.00                       | 0.00                       |
|  | Actuarial (Gains)/Loss on Obligation                                                                                                                                                                                                                                                                                                                                                                       | -0.54                      | 0.57                       | 0.00                       |
|  | <b>Present value of obligations at the end of the year</b>                                                                                                                                                                                                                                                                                                                                                 | <b>4.83</b>                | <b>3.08</b>                | <b>0.67</b>                |
|  | For the Financial Years 2020-2021 and 2021-2022 , the Company has not provided any Provision for Gratuity in accordance with AS 15. However No of Employees were exceeded for Gratuity as per the Gratuity Act , accordingly the same has been provided in Restated Financials. The Company has provided provision for gratuity as the valuation with respect to the same was made by Independent Actuary. |                            |                            |                            |

|       | Newjaisa Technologies Limited                             |                  |                  |                  |
|-------|-----------------------------------------------------------|------------------|------------------|------------------|
|       | (Formerly Known as Newjaisa Technologies Private Limited) |                  |                  |                  |
|       | ANNEXURE XXXVII                                           |                  |                  | (INR In Lakhs)   |
| Notes | Particulars                                               | As at 31.03.2023 | As at 31.03.2022 | As at 31.03.2021 |
|       |                                                           | In ₹ Lakhs       | In ₹ Lakhs       | In ₹ Lakhs       |
| 1     | <b>Loans repayable on demand from banks</b>               |                  |                  |                  |
|       | <b>(Hypothicated against the book debt and stock)</b>     |                  |                  |                  |
|       | AXIS Bank CGTMSE - CC - Blr - NJ                          | 5.0              |                  |                  |
|       | AXIS Bank CGTMSE - OD - Blr - NJ                          | 3.48             |                  |                  |
|       | IDFC First Bank CC - 9098 - NJ                            | 594.10           |                  |                  |
|       | HDFC NewJaisa Hyd - NJ                                    |                  |                  |                  |
|       | Bank Of Baroda OD - NJ                                    |                  | 146.11           |                  |
|       | CapSave Finance Private Limited - NJ                      | 125.15           |                  | 103.95           |
|       | (Less : TDS on Interest to capsave)                       | 0.13             |                  |                  |
|       | <b>Total</b>                                              | <b>724.14</b>    | <b>146.11</b>    | <b>103.95</b>    |
| 2     | <b>Unsecured Loan</b>                                     |                  |                  |                  |
|       | Loans and advances from related parties                   |                  |                  |                  |
|       | Vishesh Loan                                              | 0.24             | 35.71            | 58.69            |
|       | Prathibha Loan                                            | 19.32            | -                |                  |
|       | <b>Total</b>                                              | <b>19.56</b>     | <b>35.71</b>     | <b>58.69</b>     |
| 3     | <b>Statutory Dues</b>                                     |                  |                  |                  |
|       | GST                                                       | 0.00             | 13.66            | 13.31            |
|       | Professional Tax Payable                                  | 0.31             | 0.19             | 0.28             |
|       | TDS Payable                                               | 11.79            | 4.43             | 4.00             |
|       | ESIC                                                      | 0.12             | -                |                  |
|       | PF Payable                                                | 0.59             | -                |                  |
|       | <b>Total</b>                                              | <b>12.82</b>     | <b>18.28</b>     | <b>17.58</b>     |
| 4     | <b>Security Deposit</b>                                   |                  |                  |                  |
|       | Raghu Bhatt-Office Security Deposit                       | 0.66             |                  |                  |
|       | Jai Singh- Office Security Deposit                        | 9.00             | 9.00             | 5.50             |
|       | K Jeeva-Office Security Deposit                           | 1.00             |                  |                  |
|       | <b>Total</b>                                              | <b>10.66</b>     | <b>9.00</b>      | <b>5.50</b>      |
| 5     | <b>Bank Account - Current</b>                             |                  |                  |                  |
|       | Bank of Baroda                                            | 0.06             | 0.00             | 92.00            |
|       | HDFC Bank- BLR                                            | 0.05             | 0.17             | -                |
|       | HDFC Bank - HYD                                           | 140.59           | -                | 34.79            |
|       | <b>Total</b>                                              | <b>140.71</b>    | <b>0.17</b>      | <b>126.79</b>    |
| 6     | <b>Balance with the Government Authorities</b>            |                  |                  |                  |
|       | GST Input                                                 | 0.65             | -                | 2.59             |
|       | TDS                                                       |                  |                  | 1.20             |
|       | TCS Receivables                                           | 3.51             | -                | 0.45             |
|       | <b>Total</b>                                              | <b>4.16</b>      | <b>-</b>         | <b>4.25</b>      |
| 7     | <b>Advance given to the Employees</b>                     |                  |                  |                  |
|       | Advance Salary                                            | 6.25             |                  | 0.02             |
|       | MD Ashraf                                                 | 0.26             |                  | -                |
|       | Md Hasan Ali                                              | 0.25             |                  | -                |
|       | Salman                                                    |                  | 0.06             | -                |
|       | Joy                                                       |                  | 0.40             | -                |
|       | Khalid                                                    |                  | 0.50             | -                |
|       | Arun Kaul                                                 |                  | 0.25             | 0.36             |
|       | <b>Total</b>                                              | <b>6.76</b>      | <b>1.21</b>      | <b>0.38</b>      |

**Newjaisa Technologies Limited**  
**(Formerly Known as Newjaisa Technologies Private Limited)**

**ANNEXURE - XXXVIII**

**ANALYSIS WITH RESPECT TO CARO 2020 REPORTING FOR FINANCIAL YEAR 2022-2023.**

(a) During the financial year 2022-2023, the company has been sanctioned working capital limits in excess of ₹ 5 crores on the basis of security of current assets of the company and Based on the records examined by us in the normal course of audit of the financial statements, the stock statements submitted to the bank by the company are in agreement with the books of account except for the following differences:

Quarter Ending - 31.03.2023 - Amount as per books 1282.75 Lakhs, Amount as per Statements filed with banks - ₹ 1281.33 Lakhs Reason for

Variation: As Informed by the management, quarterly/ monthly statement filed with bank was on provisional basis and difference is mainly on account of Goods in Transit and Provisions, which were subsequently recorded /adjusted in the books of accounts by the Company.

**ANALYSIS WITH RESPECT TO CARO 2020 REPORTING FOR FINANCIAL YEAR 2021-2022 and 2020-2021.**

(a)(1) During the financial year 2020-2021, the company has not been sanctioned working capital limits in excess of ₹ 5 crores, Accordingly, the reporting under this clause is not applicable

**Analysis With Respect to CARO 2020 Reporting For Financial Year 2022-2023**

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company have borrowing/loans from the following banks / financial institutions

| S. No. | Name of Lender             | Amount Outstanding as on 31.03.2023 |
|--------|----------------------------|-------------------------------------|
| 1.     | Axis Bank                  | 5,01,415.00                         |
| 2.     | Cap Save Finance Pvt. Ltd. | 1,25,02,634.00                      |
| 3.     | IDFC First Bank            | 5,94,10,291.00                      |
|        |                            |                                     |

During the Financial Year 2022-2023, the Company has not defaulted with respect to the borrowings availed



(c) According to the information and explanations given to us by the management, the Company has obtained term loans details of which are provided below:

| S. No. | Name of Lender  | Limit / Amount | Amount Outstanding as on 31.03.2023 |
|--------|-----------------|----------------|-------------------------------------|
| 1.     | IDFC First Bank | 1,50,00,000.00 | NIL                                 |

As per the information and explanations provided by the management, the said term loan was sanctioned as on 18.03.2023 but the same have been disbursed / availed on 06.07.2023.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the following funds have been raised on short term basis by the Company: -

| S. No. | Name of Lender             | Amount Outstanding as on 31.03.2023 |
|--------|----------------------------|-------------------------------------|
| 1.     | Axis Bank                  | 5,01,415.00                         |
| 2.     | Cap Save Finance Pvt. Ltd. | 1,25,02,634.00                      |
| 3.     | IDFC First Bank            | 5,94,10,291.00                      |

(b) There has been resignation of the Previous statutory auditors during the year as on 03.03.2023 and we have been appointed as an Auditors in Extra ordinary general meeting held on 15.03.2023 to fill the casual vacancy cause by previous auditors on account of firm facing staff constraints due to pre occupation in other assignments and other internal reasons. We have been appointed to hold the office from 25.04.2023 till conclusion of ensuring Annual General Meeting.

## **OTHER FINANCIAL INFORMATION**

For details on Other Financial Information please refer to “Annexure XXIX - Restated Statement of Accounting and Other Ratios” under section titled “*Restated Financial Statements*” beginning on Page 173 of this Red Herring Prospectus.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the financial year ended on March 31, 2023, 2022 and 2021 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in Red Herring Prospectus. You should also see the section titled "Risk Factors" beginning on page 29 of Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI ICDR Regulations and restated as described in the report of our auditors dated July 17, 2023 which is included in Red Herring Prospectus under the section titled "Restated Financial Statements" beginning on page 173 of Red Herring Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under section titled "Risk Factors" and "Forward Looking Statements" beginning on pages 29 and 22 respectively, and elsewhere in Red Herring Prospectus.*

*Accordingly, the degree to which the financial statements in Red Herring Prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled "Certain Conventions, Currency of Presentation, Use of Financial Information And Market Data" beginning on page 20 of this Red Herring Prospectus.*

### BUSINESS OVERVIEW

We continued our strong growth trajectory in FY 2022-23 also with 60% YoY Revenue growth. Rapidly growing ecommerce penetration, low computer ownership in India, our focused scale in operations coupled by our strong value proposition of significantly lower priced computing assets with warranty and high quality were the key drivers for the growth.

Demand remained strong in all customer segments of student, SME and retail.

FY 22-23, Diwali sale, a benchmark and indicator of coming year demand, we set a new benchmark of ₹ 1 Cr of single Day sale only limited by our inventory availability.

We doubled our work force maintaining a healthy mix of employee and interns (our future assets). This helped to help deliver 70% more production in FY 22-23

Aligned with our future growth plans, we have initiated work on our new facility 28,750 Sq Ft that will help significantly increase our production capacity and help met unmet market demand

We continue to invest in technology specifically in areas of automated quality controls, enterprise resource planning, decision engines, lean manufacturing, customer experience and our ecommerce platform. These investments are helping us manage and scale complex operations at scale with required quality and consistency

of output (our customer promise) and at same time help reduce our cycle time and drive efficiency and predictability in our refurbishing process.

We are strongly committed to driving refurbishing operations innovations and our efforts are bearing results that are helping us reduce refurbishing costs and reduce e-waste at same time. Our component level repairing ratio saw 250% increase in FY 22-23.

#### Operational Data Metrics of our Company:

| <b>Diwali Month Sales</b>                          |                       |                       |                       |
|----------------------------------------------------|-----------------------|-----------------------|-----------------------|
| <b>Description</b>                                 | <b>Year 2020-2021</b> | <b>Year 2021-2022</b> | <b>Year 2022-2023</b> |
| Units sold (Nos)                                   | 1499                  | 3829                  | 5644                  |
| YOY Growth %                                       | -                     | 155%                  | 47.40%                |
| Revenue ( <b>₹ in Lakh</b> )                       | 353.38                | 760.75                | 1,023.91              |
| YOY Growth                                         | -                     | 115%                  | 35%                   |
|                                                    |                       |                       |                       |
| <b>Units Sold/ Processed (yoy- Financial Year)</b> |                       |                       |                       |
| <b>Description</b>                                 | <b>Year 2020</b>      | <b>Year 2021</b>      | <b>Year 2022</b>      |
| Units Sold                                         | 8,928                 | 24,959                | 42,043                |
| YOY Growth %                                       | -                     | 180%                  | 69%                   |

Note: Since inception till July,2023, the Company has processed more than 50,000 unique orders

(₹ in Lakh)

| <b>Online / Offline Sales (Financial Year)</b> |                |                |                |
|------------------------------------------------|----------------|----------------|----------------|
| <b>Description</b>                             | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> |
| Online Sales                                   | 684.19         | 2,003.37       | 2833.41        |
| Offline Sales                                  | -              | -              | 381.72         |
| Corporate sales                                | 276.48         | 788.53         | 1237.85        |
| Total Sales                                    | 960.67         | 2,791.90       | 4,452.98       |

Note : The Company is into an online first company with Online sales contributing 90%+ of its sales. The current operations of the Company are in Indian market only.

(₹ in Lakh)

| <b>Product wise Sales (Financial Year)</b>    |                  |                  |                  |
|-----------------------------------------------|------------------|------------------|------------------|
| <b>Product Description</b>                    | <b>2020-2021</b> | <b>2021-2022</b> | <b>2022-2023</b> |
| Laptops/ Chromebooks                          | 296.74           | 838.60           | 2,309.75         |
| Desktops/ Chromeboxes/ Monitors               | 653.74           | 1,873.14         | 1,996.25         |
| Accessories (Keyboard, Mouse, WiFi, Speakers) | 10.19            | 80.16            | 146.98           |
| <b>Total</b>                                  | <b>960.67</b>    | <b>2791.90</b>   | <b>4452.98</b>   |

#### 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 section titled “Restated Financial Statements” beginning on page 173 of Red Herring 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 29 of Red Herring Prospectus.

Our results of operations and financial conditions are affected by numerous factors including the following:

1. Skilled Labor availability, hiring and attrition.
2. Amazon Business Continuity
3. Single location Operations
4. Government Regulation Changes

## RESULTS OF OUR OPERATION (₹ in Lakhs)

| Particulars                                 | For the year ended |                   | For the year ended |                   | For the year ended |                   |
|---------------------------------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
|                                             | March 31, 2023     | % of Total Income | March 31, 2022     | % of Total Income | March 31, 2021     | % of Total Income |
| <b>INCOME</b>                               |                    |                   |                    |                   |                    |                   |
| <b>Revenue from Operations</b>              | 4452.98            | 100%              | 2791.90            | 99.98%            | 960.67             | 100%              |
| <b>Other Income</b>                         | 0.25               | 0%                | 0.60               | 0.02%             | 0.04               | 0%                |
| <b>Total Income (A)</b>                     | 4453.23            | 100%              | 2792.50            | 100%              | 960.71             | 100%              |
| <b>EXPENDITURE</b>                          |                    |                   |                    |                   |                    |                   |
| <b>Cost of Material Purchased</b>           | 2520.18            | 56.59%            | 1907.14            | 68.30%            | 642.1              | 66.84%            |
| <b>Employee benefits expense</b>            | 468.08             | 10.51%            | 223.13             | 7.99%             | 76.25              | 7.94%             |
| <b>Finance Cost</b>                         | 54.32              | 1.22%             | 54.31              | 1.94%             | 11.31              | 1.18%             |
| <b>Depreciation and Amortization</b>        | 3.72               | 0.08%             | 2.49               | 0.09%             | 0.5                | 0.05%             |
| <b>Other expenses</b>                       | 588.03             | 13.20%            | 360.46             | 12.91%            | 132.42             | 13.78%            |
| <b>Total Expenses (B)</b>                   | 3634.33            | 81.61%            | 2547.53            | 91.23%            | 862.58             | 89.79%            |
| <b>Profit before Exceptional Items(A-B)</b> | 818.90             | 18.39%            | 244.97             | 8.77%             | 98.12              | 10.21%            |
| <b>Exceptional Items</b>                    | 0.00               | 0.00%             | 0.00               | 0.00%             | 0                  | 0.00%             |
| <b>Profit Before Tax</b>                    | 818.90             | 18.39%            | 244.97             | 8.77%             | 98.13              | 10.21%            |
| <b>Tax expense:</b>                         |                    | 0.00%             |                    | 0.00%             |                    | 0.00%             |
| <b>(i) Current tax</b>                      | 141.13             | 3.17%             | 61.99              | 2.22%             | 24.64              | 2.56%             |
| <b>(ii) Deferred tax</b>                    | 0.29               | 0.01%             | -0.15              | -0.01%            | 0.13               | 0.01%             |

|                                            |        |        |        |       |       |       |
|--------------------------------------------|--------|--------|--------|-------|-------|-------|
| <b>(iii) Income Tax of earlier periods</b> | 1.92   | 0.04%  | 2.95   | 0.11% | 0     | 0.00% |
| <b>Total Tax Expense</b>                   | 143.34 | 3.22%  | 64.79  | 2.32% | 24.77 | 2.58% |
| <b>Profit for the year</b>                 | 675.56 | 15.17% | 180.19 | 6.45% | 73.36 | 7.64% |

## **Review of Restated Financials**

### **Key Components of Company's Profit and Loss Statement**

**Revenue from Operations : 42,043 unit sold at INR 10,591/- (Average price per unit sold)**

**Other Income:.** 0.25 Lakhs

**Expenses:**

**Employee Benefits Expense:** INR 468.08 Lakhs.

**Depreciation and Amortization Expense:** INR 3.72 Lakhs

**Other Expenses:** INR 588.03 Lakhs

### **Fiscal 2023 compared with Fiscal 2022**

#### **Revenue from Operation**

Revenue from operations had increased by 59.50 % from ₹ 2791.90 lakhs in Fiscal 2022 to ₹ 4452.98 lakhs in Fiscal 2023. Our strong continued sales growth is driven across customer segments of student, professional, household and SME segments. Our competitive offering, ever increasing ecommerce and personal computer market growth rate have been the key drivers for our growth.

#### **Employee Benefit Expenses**

Employee benefit expenses had increased by 109.78 % from ₹ 223.13 lakhs in Fiscal 2022 to ₹ 468.08 lakhs in Fiscal 2023. The increase is largely driven by increased hiring to a) support growth and b) we incorporating more complex component level refurbishing activities thus providing better net margins.

#### **Depreciation and Amortization Expenses**

Depreciation had increased by 49.40 % from ₹2.49 lakhs in Fiscal 2022 to ₹ 3.72 lakhs in Fiscal 2023 due to in Fiscal 2023 addition fixed assets at higher side comparatively additional in fiscal 2022 at lower side.

#### **Other Expenses**

Other expenses had increased by 63.13% from ₹360.46 lakhs in Fiscal 2022 to ₹ 588.03 lakhs in Fiscal 2023. 20% increased expense as compared to Revenue is driven by increased marketing spend to create market awareness about our product offering. We expect these expenses to help establish our brand and deliver long term benefits.

#### **Tax Expenses**

The Company's tax expenses had increased by 121.24 % from ₹ 64.79 lakhs in the Fiscal 2022 to ₹ 143.34 lakhs in Fiscal 2023. This was primarily due to higher profit before tax during the financial year.

### **Profit after Tax**

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 675.56 lakhs in Fiscal 2023 as compared to a net profit of ₹ 180.18 lakhs in Fiscal 2022.

Better sourcing pricing and better operations management has helped us improve our margins significantly.

**Sourcing:** Our ability to further integrate downstream in supply chain with direct recycler purchases, bigger size deals and direct corporate purchases has helped improved our Sourcing price point.

**Operations:** Our investment, technological innovation to improve component level repairability and process improvement driven by our software technology has helped us significantly improve repair vs replace ratio and at same time reduce defect injection leading to significant margin impact.

We are committed towards continuing to invest in further deepening our technological capabilities to reduce operations and spare cost while providing higher quality end product to customer.

### **Fiscal 2022 compared with Fiscal 2021**

#### **Revenue from Operation**

Revenue from operations had increased by 190 % from ₹ 960 lakhs in Fiscal 2021 to ₹ 2791.91 lakhs in Fiscal 2022. Increase in product mix towards higher value product -laptops, increased production capacity and ecommerce growth and ever increasing customer demand were key drivers for our Revenue growth

#### **Employee Benefit Expenses**

Employee benefit expenses had increased by 192.63% from ₹ 76.25 lakhs in Fiscal 2021 to ₹ 223.13 lakhs in Fiscal 2022. This increase was due to increase the inhouse production capacity and is inline with topline growth.

#### **Finance Costs**

Finance Costs had increased from ₹11.31 lakhs in Fiscal 2021 to ₹ 54.31 in Fiscal 2022. Higher debt to fund inventory to cater to increasing demand was key driver of same.

#### **Other Expenses**

Other expenses had increased by 172.22 % from ₹ 132.42 lakhs in Fiscal 2021 to ₹ 360.46 lakhs in Fiscal 2022. We were able to fuel our growth while managing similar marketing and other expenses.

### **Profit after Tax**

After accounting for taxes at applicable rates, our Company reported a net profit of ₹180.19 lakhs in Fiscal 2022 as compared to a net profit of ₹73.36 lakhs in Fiscal 2021. The increase in profits due to better gross margins as compared to previous year

### **Cash Flows**

| Particulars | For the year ended March 31, |      |      |
|-------------|------------------------------|------|------|
|             | 2023                         | 2022 | 2021 |

|                                             |         |         |        |
|---------------------------------------------|---------|---------|--------|
| Net Cash from/ in Operating Activities      | -409.88 | -143.31 | -3.86  |
| Net Cash from/ in Investing Activities      | -19.20  | -6.20   | -21.53 |
| Net Cash used from/ in Financing Activities | 561.89  | 19.18   | 163.64 |

### ***Cash Flows from Operating Activities***

Net cash from operating activities for fiscal 2023 was at ₹ (409.88) lakhs as compared to the Profit Before Tax at ₹ 818.90 lakhs while for fiscal 2022 Net cash from operating activities was at ₹ (143.31) lakhs as compared to the Profit Before Tax at ₹ 244.97 Lakhs. *Our Business experienced rapid growth in previous financial years. ARR of 59.50% is quite evident to it. We faced short-term negative cash flow due to scaling up operations to meet increased demand. Expanding production and inventory capacity, hiring additional staff, or enhancing distribution networks requires substantial investment upfront, leading to negative short term cash flow until the increased demand catches up.*

Net cash from operating activities for fiscal 2022 was at ₹ (143.31) Lakhs as compared to the Profit Before Tax at ₹ 244.97 Lakhs while for fiscal 2021, net cash from operating activities was at ₹ (3.90) Lakhs as compared to the Profit Before Tax of ₹ 98.12 Lakhs. This was primarily due to adjustments against changes in Working Capital. we have been reinvesting profits into growth initiatives, such as research and development, capital expenditures, or marketing campaigns to enhance future sustainable growth but require upfront cash outflows. As a result, profits may be positive, reflecting the expected returns on these investments, while operating cash flow temporarily suffers due to the timing of cash flows

Net cash from operating activities for fiscal 2021 was at ₹ (3.90) Lakhs as compared to the Profit Before Tax at ₹98.12 Lakhs. This was the first year of operations and all the profits earned were reinvested in the operations.

### ***Cash Flows from Investment Activities***

In fiscal 2023, the net cash invested in Investing Activities was ₹ -19.20 Lakhs. To scale up operational efficiency, we had invested a few portions of our profits in procuring optimum equipment.

In fiscal 2022, the net cash invested in Investing Activities was ₹ -6.20 lakhs. This was mainly towards investment in plant and machinery.

In fiscal 2021, the net cash invested in Investing Activities was ₹ -21.53 Lakhs. This was the initial investment to start business and procuring the necessary plant and machinery was essential to cope up with.

### ***Cash Flows from Financing Activities***

In fiscal 2023, the net cash outflow from financing activities was ₹ 561.89 Lakhs. This was mainly on account of loans taken for investment to enhance the capabilities of business operations by investing in plant and machineries and inventories.

In fiscal 2022, the net cash outflow from financing activities was ₹ 19.18 Lakhs. This was on account of raising funds through loans to run our operations and procurement of raw materials at a cheaper cost

In fiscal 2021, the net cash inflow from financing activities was ₹ 163.64 Lakhs. In the initial year of business apart of capital invested by promoters, short term financing was needed to initiate operations.

### **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**

Our growth has been broadbased, coming largely from end customer sales in retail and SME segment. 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.**

We do not foresee any significant economic changes that will affect our 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 titled “*Risk Factors*” beginning on page 29 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, economic activities and government policies and consumer preferences.

In medium term, we plan to invest in branding and promotion and capital infrastructure which may create downward pressure on net margins

**5. Increases in net sales or revenue and Introduction of new services or increased sales prices**

We plan to diversify our sales channels by focusing on direct sales in particular in students and SME segments. Also we plan to boost our online presence. We feel these steps will help us to continue on our strong growth trajectory

**6. Status of any publicly announced New Service or Business Segment**

Our Company has not announced any new Service.

**7. Seasonality of business**

Being retail focused, Quarter 2 and Quarter 3 contribute 60-70% of our revenue driven by various sales season including: Independence day, Diwali, Christmas season.

**8. Dependence on few customers/ clients**

We are direct to customer, retail focused company with broad based customer base across India.

**9. Competitive conditions**

Competitive conditions are as described under the section titled “*Our Industry*” and “*Our Business*” beginning on pages 106 and 119, respectively of the Draft Prospectus.

**10. Details of material developments after the date of last balance sheet i.e. March 31, 2023**

After the date of last Balance sheet i.e. March 31, 2023, the following material events have occurred after the last audited period:

- a. Our company had issued Bonus of Equity shares in the ratio of 30:1
- b. Our Company was converted into Public Limited Company vide Special resolution passed by the Shareholders at the Extra- Ordinary General Meeting held on May 04, 2023 and a fresh certificate of incorporation dated June 27, 2023 issued by the Registrar of Companies, Bangalore, Karnataka
- c. Our company has leased a facility of 28,750 square feet with 500 seating capacity.
- d. Private Equity Investment in our Company by Negen Tech Opportunities Angel Fund (Category I Alternate Investment Fund).

## CAPITALIZATION STATEMENT

The following table sets forth our capitalization and total debt as of March 31, 2023 (based on our Restated Financial Statements) and as adjusted to give effect to the Issue. This table should be read in conjunction with the ‘Summary Financial Information’, ‘Risk Factors’, ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ and ‘Other Financial Information’ contained in the “Financial Information” on pages 51, 29, 214 and 213 respectively.

(₹ in Lakhs except ratio)

| PARTICULARS                                          | PRE-ISSUE AS AT<br>March 31, 2023 | ADJUSTED FOR THE POST-<br>ISSUE |
|------------------------------------------------------|-----------------------------------|---------------------------------|
| <b>Borrowings</b>                                    |                                   |                                 |
| Current borrowings*(excluding current maturity)      | 743.70                            | [•]                             |
| Non-current borrowings* (including current maturity) | Nil                               | [•]                             |
| <b>Total borrowings</b>                              | 743.70                            | [•]                             |
|                                                      |                                   |                                 |
| <b>Total Equity</b>                                  |                                   |                                 |
| Equity share capital*                                | 36                                | [•]                             |
| Instruments entirely equity in nature                | Nil                               |                                 |
| Other Equity*                                        | 894.12                            | [•]                             |
| Less: Non – controlling interest                     | Nil                               |                                 |
| <b>Total Capital</b>                                 | 930.12                            | [•]                             |
|                                                      |                                   |                                 |
| <b>Ratio: Non-Current Borrowing/Total Equity</b>     | Nil                               | [•]                             |
| <b>Ratio: Total Borrowings / Total Equity</b>        | 0.80                              | [•]                             |

\*These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).

## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on September 10, 2023 together with a brief description of certain significant terms of such financing arrangements.

- A. Except as stated below, the Promoters have not provided any material guarantees with respect to loan availed by the Company:

| Name of the Promoter | Amount of Guarantee as on March 31, 2023 (₹ in Lakhs) | Reason          | Individual/entity in whose favour the guarantee has been provided. | Period    |
|----------------------|-------------------------------------------------------|-----------------|--------------------------------------------------------------------|-----------|
| Vishesh Handa        | 850                                                   | Working Capital | IDFC First Bank Limited                                            | 12 Months |
| Vishesh Handa        | 150                                                   | Term Loan       | IDFC First Bank Limited                                            | 48 Months |
| Vishesh Handa        | 125                                                   | Working capital | Capsave Finance Pvt Ltd                                            | 360 Days  |

## B. SECURED LOANS:

### STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

| Category of borrowing                  | Sanctioned Amount (₹ in lakhs) | Outstanding amount (₹ in Lakhs) as on September 10, 2023 | Rate of Interest               | Tenure                  | Repayment Terms                                                                                    | Collateral / Asset Charged                                      | Principal Terms and Conditions                                                         |
|----------------------------------------|--------------------------------|----------------------------------------------------------|--------------------------------|-------------------------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------------------------|
| <b>IDFC First Bank Limited</b>         | 850.00                         | 706.56                                                   | 9.20% EBR(REPO) + 2.70% Spread | 12 months and Revolving | On Demand                                                                                          | Residential Property Self occupied Director Immovable property, | Working Capital Loan                                                                   |
| <b>IDFC First Bank Limited</b>         | 150.00                         | 106.54                                                   | 9.20% EBR(REPO) + 2.70% Spread | 48 months               | 48 months from date of drawdown and Emi/ principal to be debited at 5 <sup>th</sup> of every month | Director's Immovable Property                                   | For Leasehold Improvements and furnishing at the newly leased warehouse of the company |
| <b>Capsave Finance Private Limited</b> | 125                            | 93.75                                                    | 14.75% (BLR- 8.17%)            | 360 days                | Quarterly                                                                                          | Stock                                                           | To fund working capital requirement                                                    |
| <b>Total</b>                           | <b>1,125</b>                   | <b>906.85</b>                                            |                                |                         |                                                                                                    |                                                                 |                                                                                        |

**C. UNSECURED LOANS AS ON September 10, 2023:**

| Category of borrowing                                                  | Sanctioned Amount (₹ in Lakhs) | Outstanding amount (₹ in Lakhs) as on September 10, 2023 | Rate of Interest   | Tenure    | Repayment Terms                  | Collateral / Asset Charged | Principal Terms and Conditions |
|------------------------------------------------------------------------|--------------------------------|----------------------------------------------------------|--------------------|-----------|----------------------------------|----------------------------|--------------------------------|
| Directors (including relatives) or any other entity controlled by them | NA                             | 34.56                                                    | Interest Free      | NA        | NA                               | NA                         | NA                             |
| Deutsche Bank                                                          | 25                             | 24.51                                                    | 18% (EBTL+1 1.05%) | 36 months | Monthly EMI to begin from August | Unsecured Loan             | For Working Capital            |
| <b>Total</b>                                                           | <b>25</b>                      | <b>59.07</b>                                             |                    |           |                                  |                            |                                |

**D. GUARANTEES BY PROMOTER SHAREHOLDER:**

| Name of the Promoter | Amount of the Guarantee as on September 10, 2023 (₹ In Lakhs) | Reason                                                                                                     | Obligations of the Company                                                                                         | Individual/entity in whose favor the guarantee has been provided. | Period                                                                                                | Financial implications in event of default                                                     | Security available                                                                                                                                                        |
|----------------------|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Vishesh Handa        | 1000.00                                                       | Personal Guarantee For Working Capital and Term Loan                                                       | Stock and Debtors First Pari Passu Charge                                                                          | IDFC First Bank                                                   | Working Capital 850 (Lakhs) - 12 months and revolving Term Loan – 150 (Lakhs) 48 months from drawdown | Exclusive charge on current assets, unencumbered movable fixed assets and immovable properties | Primary – Exclusive charge on current assets, unencumbered movable fixed assets and immovable properties<br><br>Secondary- Residential property self occupied by director |
| Vishesh Handa        | 125                                                           | To be used Exclusively by Borrower for making payment to its suppliers against procurement of raw material | First Pari Passu Charge by way of hypothecation on all existing and future movable fixed assets and current assets | Cap Save Finance Private Limited                                  | 360 Days                                                                                              | Exclusive Charge on companies' stock and Promoter personal guarantee                           | NACH Mandate and 3 Cheques First Pari Passu Charge by way of hypothecation on all existing and future movable fixed assets and current assets                             |

|  |  |  |  |  |  |  |                                                  |
|--|--|--|--|--|--|--|--------------------------------------------------|
|  |  |  |  |  |  |  | Personal<br>Guarantee of<br>Mr. Vishesh<br>Handa |
|--|--|--|--|--|--|--|--------------------------------------------------|

## SECTION X: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*The details of outstanding litigations or proceedings relating to our Company and our Directors and our Promoter are described in this section in the manner as detailed below.*

Except as stated in this section and mentioned elsewhere in this Red Herring Prospectus, there are no (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last 5 Financial Years, including outstanding action, (iv) claims related to direct and indirect taxes in a consolidated manner, (v) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board, in each case involving our Company, Promoters, and Directors (**“Relevant Parties”**) (vi) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 against our Company since its incorporation from the date of this Red Herring Prospectus; (vii) pending proceedings initiated against our Company for economic offences; (viii) material frauds committed by or against our Company since its incorporation from the date of this Red Herring Prospectus; (ix) defaults for non-payment of statutory dues; (x) fines imposed or compounding of offences against our Company since its incorporation from the date of this Red Herring Prospectus; (xi) matters involving our Company pertaining to violations of securities law; and (xii) outstanding dues to material creditors and small scale undertakings.

For the purpose of (v) above, our Board in its meeting held on July 07, 2023 has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties, to be disclosed by our Company in this Red Herring Prospectus:

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, (i) other than criminal proceedings, actions by regulatory authorities and statutory authorities, (ii) disciplinary actions including penalty imposed by SEBI or stock exchanges against the Promoters in the last 5 Financial Years including outstanding action, and tax matters, would be considered ‘material’ if:

- a) The monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of, (i) ₹ 6.79 lakhs (i.e. 1% (one per cent) of the profit after tax of our Company as per the Restated Consolidated Financial Statements of our Company for the last full Financial Year)
- b) The outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no outstanding material dues to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

For this purpose, our Board, in its meeting held on July 07, 2023 considered and adopted a policy of materiality for identification of material outstanding dues to creditors. Further, in terms of this Materiality Policy, outstanding dues to any creditors of our Company having monetary value which exceeds 5% (five per cent) of trade payables as per the last Restated Financial Statements for the Financial Year ended March 31, 2023 shall be considered as material dues (**“Material Dues”**). For outstanding dues to any party which is a MSME, the disclosure will be based on information available with our Company regarding status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder, as has been relied upon by its Statutory Auditor. Details of outstanding dues to material creditors as required under the SEBI ICDR Regulations have been disclosed on our website at <https://newjaisa.com/>.

Unless otherwise stated to the contrary, the information provided is as of the date of this Red Herring Prospectus.

#### I. Litigation involving our Company

| A. Litigation against our Company |                                                           |                    |
|-----------------------------------|-----------------------------------------------------------|--------------------|
| Sr. No.                           | Litigation Involving                                      | No. of Proceedings |
| a)                                | Criminal Proceedings                                      | Nil                |
| b)                                | Civil Proceedings                                         | Nil                |
| c)                                | Actions by Statutory/ Regulatory Authorities <sup>1</sup> | Nil                |

|    |                                                                                                                                                  |     |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| d) | Other Pending Litigations based on Materiality Policy                                                                                            | Nil |
| e) | Wilful Defaulter:<br>Our Company does not appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'. |     |

| B. Litigation filed by our Company |                                                       |                    |
|------------------------------------|-------------------------------------------------------|--------------------|
| Sr. No.                            | Litigation Involving                                  | No. of Proceedings |
| a)                                 | Criminal Proceedings                                  | Nil                |
| b)                                 | Civil Proceedings                                     | Nil                |
| c)                                 | Actions by Statutory/ Regulatory Authorities          | Nil                |
| d)                                 | Other Pending Litigations based on Materiality Policy | Nil                |

<sup>1</sup>The Regulatory or Statutory Authorities for the purpose of this Section include but are not limited to SEBI, RBI etc.

## II. Litigation involving Director/s of our Company

| A. Litigation against Director/s of our Company |                                                                                                                                                   |                    |
|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Sr. No.                                         | Litigation Involving                                                                                                                              | No. of Proceedings |
| a)                                              | Criminal Proceedings                                                                                                                              | Nil                |
| b)                                              | Civil Proceedings                                                                                                                                 | Nil                |
| c)                                              | Actions by Statutory/ Regulatory Authorities                                                                                                      | Nil                |
| d)                                              | Other Pending Litigations based on Materiality Policy                                                                                             | Nil                |
| e)                                              | Wilful Defaulter:<br>None of our Directors appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'. |                    |

| B. Litigations filed by our Director/s |                                                       |                    |
|----------------------------------------|-------------------------------------------------------|--------------------|
| Sr. No.                                | Litigation Involving                                  | No. of Proceedings |
| a)                                     | Criminal Proceedings                                  | Nil                |
| b)                                     | Civil Proceedings                                     | Nil                |
| c)                                     | Actions by Statutory/ Regulatory Authorities          | Nil                |
| d)                                     | Other Pending Litigations based on Materiality Policy | Nil                |

## III. Litigation involving our Promoter/s

| A. Litigation against our Promoter/s |                                                                                                                                                         |                    |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Sr. No.                              | Litigation Involving                                                                                                                                    | No. of Proceedings |
| a)                                   | Criminal Proceedings                                                                                                                                    | Nil                |
| b)                                   | Civil Proceedings                                                                                                                                       | Nil                |
| c)                                   | Actions by Statutory/ Regulatory Authorities                                                                                                            | Nil                |
| d)                                   | Other Pending Litigations based on Materiality Policy                                                                                                   | Nil                |
| e)                                   | Disciplinary Action Including Penalty Imposed By SEBI/ Stock Exchanges Against Our Promoters in the last 5 Financial Years including Outstanding Action | Nil                |
| f)                                   | Wilful Defaulter:<br>None of our Promoters appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.       |                    |

| B. Litigations filed by our Promoter/s |                                                       |                    |
|----------------------------------------|-------------------------------------------------------|--------------------|
| Sr. No.                                | Litigation Involving                                  | No. of Proceedings |
| a)                                     | Criminal Proceedings                                  | Nil                |
| b)                                     | Civil Proceedings                                     | Nil                |
| c)                                     | Actions by Statutory/ Regulatory Authorities          | Nil                |
| d)                                     | Other Pending Litigations based on Materiality Policy | Nil                |

## TAX PROCEEDINGS

The current matter pertains to income tax demands, with specific jurisdiction allocated to Bangalore for the Company and Hyderabad for the promoter. It is important to clarify that this scenario does not constitute a legal case but rather involves outstanding demands arising from an intimation under section 143(1) of the Income Tax Act. This intimation has been automatically generated by the system in relation to the company.



As it stands, the demand against the Company remains unresolved, and there have been no subsequent developments in this regard thus far. It is worth noting that these demands do not signify a formal legal proceeding but rather represent outstanding obligations stemming from the automated system-generated intimation.

| Nature of Proceedings                      | Number of cases | Amount involved* (₹. in lakhs) |
|--------------------------------------------|-----------------|--------------------------------|
| <b>Against the company</b>                 |                 |                                |
| Direct Tax (Income Tax)                    | 1               | 13.35 <sup>(1)</sup>           |
| Indirect Tax                               | Nil             | Nil                            |
| <b>Filed by the company</b>                |                 |                                |
| Direct Tax (Income Tax)                    | Nil             | Nil                            |
| Indirect Tax                               | Nil             | Nil                            |
| <b>Total</b>                               | <b>1</b>        | <b>13.35</b>                   |
| <b>Against the Promoters and Directors</b> |                 |                                |
| <b>Mr. Vishesh Handa</b>                   |                 |                                |
| Direct Tax (Income Tax)                    | 1               | 19.79 <sup>(2)</sup>           |
| Indirect Tax                               | Nil             | Nil                            |
| <b>Total</b>                               | <b>1</b>        | <b>19.79</b>                   |

\*To the extent quantifiable

**(1) Litigation against the Company**

|                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Detailed subject matter</b>                   | The matter involves the assessment of taxable income of the Company for the Assessment Year 2022-2023. The income tax authorities have made certain adjustment in the annual turnover declared by the Company in its income tax return thereby leading to an increase in income tax liability. In this regard, the income tax authority has issued the demand notice under Section 143(1a) of the Income Tax, 1961. Subsequently, the Company has submitted its reply to the Income Tax department on May 17, 2023 through the e-filing portal. |
| <b>State in which the case is being filed</b>    | Income Tax Department                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Amount Involved</b>                           | ₹13.35 lakhs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Assessment Year</b>                           | 2022-2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Any interim order passed by the authority</b> | None as on date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Current Status</b>                            | Pending                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

**(2) Litigation against Mr. Vishesh Handa (Promoter)**

|                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Detailed subject matter</b>                   | The case pertains to an alleged omission of income from salary from a previous job by the Assessee viz., Mr. Vishesh Handa, resulting in a discrepancy between Assessee's income tax calculation and the income tax authority's assessment. Subsequently, the Assessee has submitted his reply to the Income Tax department on July 19, 2023 on the e-filing portal. There has been no further communication in this matter from the Assessee or the Income Tax Authorities. |
| <b>State in which the case is being filed</b>    | Income Tax Department Pune                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Amount involved</b>                           | ₹19.79 lakhs                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Assessment year</b>                           | 2016-2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Any interim order passed by the authority</b> | None as on date                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Current Status</b>                            | Pending                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

**IV. Litigation involving our Group Companies**

As on date of this Red Herring Prospectus, the Company does not have any Group Company

**V. Disclosures pertaining to wilful defaulters and fraudulent borrower:**

Neither our Company or the Promoters and nor our Directors are or have been classified as a wilful defaulter or as a fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

### Material Developments since the last Balance Sheet Date

Except as mentioned under the section titled ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ beginning on page 214 of this Red Herring Prospectus, in the opinion of our Board, there have not arisen any material developments, since the date of the last financial information disclosed in this Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

### Outstanding Dues to Creditors of our Company

Further, in accordance with the Materiality Policy, our Company has considered such creditors ‘material’ to whom the amount due is equal to or in excess of five percent of the trade payables of our Company as of the end of the most recent period covered in the Restated Financial Information, i.e. ₹ 16.09 lakhs, as of March 31, 2023 (“**Material Creditors**”).

As of March 31, 2023, the total outstanding dues to such creditors by our Company was ₹ **321.72 lakhs**, on a consolidated basis.

The details of the total outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Material Creditors and other creditors as on March 31, 2023 is as set forth below:

| Sr. No. | Particular                                                  | Number of creditors | Balance as on March 31, 2023 (₹ in lakhs) |
|---------|-------------------------------------------------------------|---------------------|-------------------------------------------|
| 1.      | Dues to micro, small and medium enterprises                 | Nil                 | Nil                                       |
| 2.      | Dues to Material Creditor(s)                                | 4                   | 281.86                                    |
| 3.      | Dues to other creditors (including outstanding liabilities) | 29                  | 39.86                                     |
|         | <b>Total</b>                                                | <b>33</b>           | <b>321.72</b>                             |

The details pertaining to amounts due towards the material creditors are available on the website of our Company at <https://newjaisa.com/>.

Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, <https://newjaisa.com/>, would be doing so at their own risk.

## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from various governmental agencies and other statutory and/ or regulatory authorities required for carrying out our present business activities and except as mentioned below, no further material and necessary approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material and necessary approvals and licenses and permissions required to operate our present business activities. It must be distinctly understood that, in granting these approvals, the Government of India, the Reserve Bank of India or any other authority does not take 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 or licenses are valid as of the date of this Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. For further details in connection with the applicable regulatory and legal framework, please refer to the section titled '*Key Industry Regulations and Policies*' beginning on page 129 of this Red Herring Prospectus.

Our Company has its business located at:

**Registered Office:** 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School, Bangalore, 560078, Karnataka, India

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### Incorporation Details

- a) The certificate of incorporation dated June 16, 2020 issued by the Registrar of Companies, Central Registration Centre, in the name of "Newjaisa Technologies Private Limited".
- b) Fresh certificate of incorporation dated June 27, 2023 issued by Registrar of Companies, Bangalore, Karnataka, consequent upon change from "Newjaisa Technologies Private Limited" to "Newjaisa Technologies Limited", pursuant to conversion of our Company from private company to public company.
- c) The Corporate Identification Number of our Company is U32106KA2020PLC134935.

### Approvals for the Issue

#### 1. Corporate Approvals

- Our Board have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on July 07, 2023 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the AGM held on July 10, 2023 authorized the Issue.
- IPO Committee approved the Draft Red Herring Prospectus pursuant to its resolution dated August 1, 2023
- IPO Committee approved this Red Herring Prospectus pursuant to its resolution dated September 16, 2023.

#### 2. In-Principle Approval from the Designated Stock Exchange

In-principle approval dated September 14, 2023 from the NSE Emerge (SME Platform of NSE) for using the name of the exchange in its Red Herring Prospectus for listing of the Equity Shares issued by our Company pursuant to the Issue.

#### 3. Agreements with NSDL and CDSL

- a) Our Company has entered into an agreement dated May 22, 2023 with the Central Depository Services (India) Limited and the Registrar and Share Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.
- b) Similarly, our Company has also entered into an agreement dated May 22, 2023 with the National Securities Depository Limited and the Registrar and Share Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- c) Our Company's International Securities Identification Number is INE0PW501021.

## Approvals/ Licenses related to our Business Activities

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

| Sr. No. | Description                                                                    | Applicable Laws                                           | Authority                                                                                   | Registration Number | Date of Issue/ Date of Certificate | Date of Expiry        |
|---------|--------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------|------------------------------------|-----------------------|
| 1)      | MSME Registration-Udyam Registration                                           | Micro, Small and Medium Enterprises Development Act, 2006 | Ministry of Micro, Small and Medium Enterprise                                              | UDYAM-KR-03-0037839 | December 24, 2020                  | One time registration |
| 2)      | Start-up India                                                                 | -                                                         | Ministry of Commerce & Industry<br>Department for Promotion of Industry and Internal Trade  | DIPP94228           | February 08, 2022                  | June 15, 2030         |
| 3)      | Registration under the Karnataka Shops and Commercial Establishments Act, 1961 | Karnataka Shops and Commercial Establishments Act, 1961   | Senior Labour Inspector, Department of Labour, Government of Karnataka                      | 49/185/CE/0011/2022 | March 05, 2022                     | December 31, 2026     |
| 4)      | Importer Exporter Code                                                         |                                                           | Ministry of Commerce & Industry,<br>Additional Director General of Foreign Trade, Bengaluru | AAGCN9792H          | March 15, 2021                     | One-time registration |

## Tax related Approvals/ Licenses/ Registrations

| Sr. No. | Authorisation granted                                                                                                                    | Issuing Authority                                 | Registration No./ Reference No./ License No. | Date of Issue  | Validity              |
|---------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------|----------------|-----------------------|
| 1.      | Permanent Account Number                                                                                                                 | Income Tax Department, Government of India        | AAGCN9792H                                   | June 16, 2020  | Valid until cancelled |
| 2.      | Tax Deduction Account Number                                                                                                             | Income Tax Department, Government of India        | BLRN14488F                                   | June 16, 2020  | Valid until cancelled |
| 3.      | GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 and Karnataka Goods and Services Tax Act, 2017 | Government of India and Government of Karnataka   | 29AAGCN9792H1ZO                              | April 05, 2023 | Valid until cancelled |
| 4.      | GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 and                                            | Government of India and Government of Maharashtra | 27AAGCN9792H1ZS                              | March 17, 2023 | Valid until cancelled |

|    |                                                                                                                                          |                                                                         |                 |                |                       |
|----|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------|----------------|-----------------------|
|    | Maharashtra Goods and Services Tax Act, 2017                                                                                             |                                                                         |                 |                |                       |
| 5. | GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 and Haryana Goods and Services Tax Act, 2017   | Government of India and Government of Haryana                           | 06AAGCN9792H1ZW | April 10, 2023 | Valid until cancelled |
| 6. | GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 and Telangana Goods and Services Tax Act, 2017 | Government of India and Government of Telangana                         | 36AAGCN9792H1ZT | March 18, 2023 | Valid until cancelled |
| 7. | Professional Tax Registration Certificate (PTRC)                                                                                         | Karnataka Tax and Profession, Trade, Callings, and Employment Act, 1976 | 304912595       | 2021           | One Time Registration |

#### Industrial and Labour Law related Approvals

| Sr. No. | Description                                                                                                     | Applicable Laws                                                                | Issued by                                                                      | Registration Number | Date of Certificate | Date of Expiry        |
|---------|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------|---------------------|---------------------|-----------------------|
| 1.      | Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952) | Employees Provident Fund Organisation, Ministry of Labour, Government of India | Employees' Provident Fund Organization                                         | BGBNG2113630000     | June 16, 2020       | One-time registration |
| 2.      | Registration Under Employees' State Insurance                                                                   | Employee State Insurance Act, 1948 (E.S.I. Act, 1948)                          | Assistant Director Sub-Regional Office, Employees' State Insurance Corporation | 53000499470000999   | June 16, 2020       | Valid until cancelled |

#### Intellectual Property related Approvals/Registrations

We have registered the following trademark with the Trademarks Registry, Government of India under the Trademarks Act, 1999. The details of the same are as follows:

| Sr. No. | Trademark                                                                         | Wordmark/ Label     | Applicant                                                                               | Trademark/ Application Number | Issuing Authority             | Date of Application | Class of Trademark | Status                 |
|---------|-----------------------------------------------------------------------------------|---------------------|-----------------------------------------------------------------------------------------|-------------------------------|-------------------------------|---------------------|--------------------|------------------------|
| 1.      |  | New Jaisa (Device)  | Newjaisa Technologies Private Limited                                                   | 5604346                       | Trade Marks Registry, Chennai | September 10, 2022  | 9                  | Objected*              |
| 2.      | NEWJAISA                                                                          | NEWJAISA (Wordmark) | Newjaisa Technologies Limited (Formerly Known As Newjaisa Technologies Private Limited) | 6021092                       | Trade Marks Registry, Chennai | July 14, 2023       | 9                  | Formalities Check Pass |

\*The Company has submitted reply against objection, on July 06, 2023

### Pending Approvals

Pursuant to conversion of our Company from a private limited company to a public limited company in the year 2023, our Company has made applications for change of name for all the above-mentioned approvals.

### Domain Name

| Sr. No. | Domain Name and ID                                        | Sponsoring Registrar and IANA ID                                            | Registrant Name               | Creation Date                                   | Registry Expiry Date |
|---------|-----------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------|-------------------------------------------------|----------------------|
| 1       | <a href="https://newjaisa.com/">https://newjaisa.com/</a> | Registrar: PDA Ltd d/b/a publicdomainregistry.com<br>Registrar IANA ID: 303 | Newjaisa Technologies Limited | April 27, 2020<br>Last updated on July 07, 2023 | April 27, 2024       |

### Material licenses/ approvals for which Company is yet to apply

Apart from the existing regulatory and other approvals obtained by the Company, currently, to the best of our knowledge and belief, the Company does not require any other approval/ licenses for its business activities.

### Material Information in relation to our Subsidiary

Not applicable, since we do not have any subsidiary of the Company as on the date of Red Herring Prospectus.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### **Authority for Issue**

#### ***Corporate Approvals***

The Issue has been authorized by our Board pursuant to the resolution passed at its meeting dated July 07, 2023 and by the shareholders pursuant to the special resolution passed in its AGM dated July 10, 2023 under Section 62(1)(c) of the Companies Act, 2013. This Red Herring Prospectus has been approved by the IPO Committee pursuant to a resolution passed on July 31, 2023.

#### ***In-principle Approval***

Our Company has obtained in-principle approval from the NSE Emerge for using its name in the Red Herring Prospectus/ Prospectus pursuant to an approval letter dated September 14, 2023 NSE is the Designated Stock Exchange.

### **Prohibition by SEBI or Other Governmental Authorities**

We confirm that our Company, Directors, Promoter and Promoter Group, persons in control of our Company are not prohibited from accessing or operating in the capital markets for any reason or restrained from buying, selling or dealing in securities, under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Red Herring Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoters, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

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 under section titled “*Outstanding Litigations and Material Developments*” beginning on page 226 of this Red Herring Prospectus.

### **Compliance with the Companies (Significant Beneficial Owners) Rules, 2018**

Our Company, our Promoters and members of our Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Red Herring Prospectus.

### **Prohibition by RBI**

Neither our Company nor any of our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower 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 under section titled ‘*Outstanding Litigations and Material Developments*’ beginning on page 226 of this Red Herring Prospectus.

### **Prohibition with respect to wilful defaulters or a fraudulent borrower**

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations.

### **Association with Securities Market**

None of our Directors 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 in the past 5 years.

- **Eligibility for the Issue**

- Our Company is eligible in terms of Regulations 228 of SEBI ICDR Regulations, for this Issue.
  - i) Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the SEBI.
  - ii) Neither our Promoters nor any of our Directors or persons in control of our Company is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Red Herring Prospectus.
  - iii) None of our Promoters or Directors is declared as Fugitive Economic Offender under Fugitive Economic Offenders Act, 2018.
  - iv) Neither our Company, nor our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter nor our Directors, is a wilful defaulter or a fraudulent borrower.
- Our Company is an “unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations.
- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI ICDR Regulations, as we are an Issuer whose post issue paid up capital is more than 10 crore rupees and upto 25 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the " **NSE Emerge**").

**We confirm that:**

- i) In accordance with Regulation 260 of the SEBI ICDR Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The Book Running Lead Manager to the Issue shall underwrite minimum 15% of the total Issue Size. For further details pertaining to said underwriting please refer to section titled ‘*General Information*’ beginning on page 55 of this Red Herring Prospectus.
- ii) 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 50, otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within 8 Working 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 8 Working Days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act.
- iii) In terms of Regulation 246(5) of the SEBI ICDR Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Red Herring Prospectus/ Prospectus.
- iv) In accordance with Regulation 261 of the SEBI ICDR Regulations, we hereby confirm that, we have entered into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory market making for a minimum period of 3 years from the date of listing of Equity Shares on the NSE Emerge of NSE. For further details of the arrangement of market making please refer to section titled ‘*General Information*’ beginning on page 55 of this Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue 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.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated May 22, 2023 and National Securities Depository Limited dated May 22, 2023 for establishing connectivity.
2. Our Company has a website i.e. <https://newjaisa.com/>

**We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the NSE Emerge of the NSE:**

- 1) Our Company was incorporated as a private limited company under the Companies Act, 2013 in the name and style of “Newjaisa Technologies Private Limited” bearing CIN U32106KA2020PTC134935, pursuant to a certificate of incorporation dated June 16, 2020 issued by the Registrar of Companies, Central Registration



Centre. Subsequently, our Company was converted into public limited company pursuant to shareholders' resolution passed at the EGM held on May 04, 2023, and name of our Company was changed from "Newjaisa Technologies Private Limited" to "Newjaisa Technologies Limited" and a fresh Certificate of Incorporation dated June 27, 2023 was issued by Registrar of Companies, Bangalore, Karnataka. The CIN of our Company is U32106KA2020PLC134935.

- 2) As on the date of this Red Herring Prospectus, the Company has a Paid-up Capital of ₹ 1,184.37 Lakhs and the Post Issue Capital will be of upto ₹ 1,609.17 Lakhs which is less than ₹ 25 Crores.
- 3) Our Company confirms that it has track record of more than 3 years.
- 4) The company/ entity has operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive. The details of the Net Worth and Operating Profit as per the Restated Financial Statements of the company are as detailed below

*(₹ in Lakhs)*

| Particulars                                                                                                 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|-------------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|
| Net worth                                                                                                   | 930.12         | 254.55         | 74.36          |
| Operating profit (earnings before interest, depreciation, Profit/ (loss) from sale of Fixed Assets and tax) | 876.94         | 301.77         | 109.94         |

- 5) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past 1 (one) year in respect of promoters, Group Company, companies promoted by the promoters of the Company;
- 6) Our Company has not been referred to Board for Industrial and Financial Reconstruction.
- 7) There is no winding up petition against our Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
- 8) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past 3 years against our Company.
- 9) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past 5 (five) years
- 10) We further confirm that we comply with all the above requirements/ conditions so as to be eligible to be listed on the NSE Emerge of the NSE.

#### Disclaimer Clause of SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"/ "BOARD") 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 RED HERRING PROSPECTUS / PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, ("SEBI ICDR REGULATIONS") IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS RED HERRING PROSPECTUS/ PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, INDORIENT**

FINANCIAL SERVICES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE. THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 1, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS ; WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE RED HERRING PROSPECTUS/ PROSPECTUS PERTAINING TO THE SAID ISSUE.
- 2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE RED HERRING PROSPECTUS FILED WITH THE STOCK EXCHANGE/ BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE MATERIAL DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- 3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE, SUCH REGISTRATION IS VALID.
- 4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITE TO FULFILL THEIR UNDERWRITING COMMITMENTS
- 5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.
- 6) WE CERTIFY THAT REGULATION 237 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE RED HERRING PROSPECTUS.
- 7) WE UNDERTAKE THAT SUB-REGULATION (2) OF REGULATION 236 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 SHALL BE COMPLIED WITH.

- 8) WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.
- 9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION
- 10) WE CERTIFY THAT THE EXISTING BUSINESS AS WELL AS THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION COMPLIED TO THE EXTENT APPLICABLE.
- 11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
- 12) WE CERTIFY THAT ALL THE SHARES ISSUED IN DEMATERIALIZED FORM IS IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:
- A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- 13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
- 14) WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER EXPERIENCE AND THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE RED HERRING PROSPECTUS ENTERED BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
- 15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY
- 16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)' AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015 -DETAILS ARE ENCLOSED IN "ANNEXURE A".

- 17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS- TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE RED HERRING PROSPECTUS.

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE:**

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE EQUITY SHARES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
3. WE CONFIRM THAT THE RED HERRING PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE EQUITY SHARES OF THE ISSUER.
5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISION TO SUB-REGULATION (2) OF REGULATION 236 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE RED HERRING PROSPECTUS.
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE.
7. WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PERCENT OF THE COMPLIANCE RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEEDING THE MONTH OF THE FILLING OF THE RED HERRING PROSPECTUS WITH THE REGISTRAR OF COMPANIES - *NOT APPLICABLE*.

**Note:**

THE FILING OF THIS RED HERRING PROSPECTUS/ PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF 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 BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS/ PROSPECTUS.

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Bangalore, Karnataka in terms of Section 26, Section 32 and Section 33 of the Companies Act, 2013.*

**Disclaimer Statement from our Company and the Book Running Lead Manager**

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus/ Prospectus, or in case of the Company, in any advertisements or any

other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website <https://newjaisa.com/> would be doing so at his or her own risk.

## Caution

The Book Running Lead Manager to the Issue accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager to the Issue and our Company on July 31, 2023 and the Underwriting Agreement dated September 16, 2023 entered into between the Underwriter, our Company and the Market Making Agreement dated August 25, 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the Issue 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 centers or elsewhere.

The Book Running Lead Manager to the Issue and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, 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, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter 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 Issue, 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 Underwriter 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.

## Statement on price information of past issues handled by Indorient Financial Services Limited:

| Sr. No. | Issue Name                  | Issue Size (₹ in Crore ) | Issue Price (₹ ) | Listing Date     | Opening Price on Listing Date | +/- % Change in Price on closing price, [ +/- % change in closing benchmark] – 30 <sup>th</sup> calendar days from listing | +/- % Change in Price on closing price, [ +/- % change in closing benchmark] – 90 <sup>th</sup> calendar days from listing | +/- % Change in Price on closing price, [ +/- % change in closing benchmark] – 180 <sup>th</sup> calendar days from listing |
|---------|-----------------------------|--------------------------|------------------|------------------|-------------------------------|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| 1.      | Secmark Consultancy Limited | 15.04                    | 135.00           | October 01, 2020 | 134.00                        | -50.71, [2.37]                                                                                                             | -58.92, [23.05]                                                                                                            | -55.07, [26.65]                                                                                                             |
| 2.      | eMudhra Limited             | 412.79                   | 256.00           | June 01, 2022    | 271.00                        | -2.61, [-4.27]                                                                                                             | 38.81, [4.68]                                                                                                              | 20.79, [12.49]                                                                                                              |

## Summary Statement of Disclosure

| Financial Year | Total no. of IPOs | Total amount of funds raised (₹ in Crore) | No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing |                |                | No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing |                |                | No. of IPOs trading at discount – 180 <sup>th</sup> calendar days from listing |                |                | No. of IPOs trading at discount – 180 <sup>th</sup> calendar days from listing |                |                |
|----------------|-------------------|-------------------------------------------|-------------------------------------------------------------------------------|----------------|----------------|------------------------------------------------------------------------------|----------------|----------------|--------------------------------------------------------------------------------|----------------|----------------|--------------------------------------------------------------------------------|----------------|----------------|
|                |                   |                                           | Over 50 %                                                                     | Between 25-50% | Less than 25 % | Over 50 %                                                                    | Between 25-50% | Less than 25 % | Over 50 %                                                                      | Between 25-50% | Less than 25 % | Over 50 %                                                                      | Between 25-50% | Less than 25 % |
| 2020-21        | 1                 | 15.04                                     | 1                                                                             | Nil            | Nil            | Nil                                                                          | Nil            | Nil            | 1                                                                              | Nil            | Nil            | Nil                                                                            | Nil            | Nil            |
| 2022-23        | 1                 | 412.79                                    | Nil                                                                           | Nil            | 1              | Nil                                                                          | Nil            | Nil            | Nil                                                                            | Nil            | Nil            | Nil                                                                            | Nil            | 1              |

### Track Record of past issues handled by Indorient Financial Services Limited:

For details regarding track record of Book Running Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at: <https://www.indorient.in/>

### Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India who are competent to contract under the Indian Contract Act, 1872 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, co-operative 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 Lakh 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 Red Herring 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 Red Herring Prospectus comes is required to inform him 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 Bangalore, Karnataka, only. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Red Herring Prospectus has been filed with NSE Emerge for its observations and NSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring 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.

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.

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 U.S. Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

## **Disclaimer Clause of the NSE Emerge 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 Ref.: NSE/LIST/2584 dated September 14, 2023, permission to the Issuer to use the Exchange's name in this Red Herring Prospectus as one of the Company's Equity Shares are proposed to be listed on the NSE Emerge of NSE. NSE has scrutinized 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.

## **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 ("**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 Applications 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.

## **Filing**

The Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. After getting in-principal approval from NSE, a copy of the Draft Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Bangalore, Karnataka.

The Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 (5) the SEBI ICDR Regulations. However, SEBI will not issue any observation on the Red Herring Prospectus in terms of Regulation 246 (2) of the SEBI ICDR Regulations. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft Red Herring Prospectus, Red Herring Prospectus and 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 will be delivered for registration to the Registrar of Companies, Bangalore, Karnataka at E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore-560034, Karnataka.

## **Listing**

The Equity Shares of our Company are proposed to be listed on NSE Emerge platform. Our Company has obtained in-principle approval from NSE by way of its letter dated September 14, 2023 for listing of equity shares on NSE (NSE Emerge platform).

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 NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring 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 of NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer 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 Subject to applicable law.

### **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-*

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *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*
- *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, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Key Managerial Personnel, Banker to the Company; (b) Book Running Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Banker, Legal Advisor to the Issue and Sponsor Bank to act in their respective capacities have been obtained and shall be filed along with a copy of the prospectus with RoC, as required as required under section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

\*The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, M/s Abhilashi & Co, Chartered Accountants, Statutory Auditors holding peer reviewed certificate, 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 Red Herring 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 Red Herring Prospectus with the RoC.

### **Expert to the Issue**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditors namely, M/s Abhilashi & Co, Chartered Accountants to include their name in this Red Herring Prospectus and as "Expert" as defined under section 2 (38) of the Companies Act, 2013 in respect of the reports on the Statement of Tax Benefits dated July 31, 2023, and on the Restated Financial Statements dated July 17, 2023 and issued by them, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

### **Underwriting Commission and Brokerage**

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriter. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue Price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.



### **Previous Rights and Public Issues since the Last 5 Years**

We have not made any rights and public issues in the past, and we are an “unlisted Company” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations.

### **Previous Issues of Shares otherwise than for Cash**

Except as stated in the section titled ‘*Capital Structure*’ beginning on page 68 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

### **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 Subsidiary/ Associates which made any Capital Issue During the Last 3 Years**

Our Company does not have any subsidiary/ associate companies, therefore, particulars in Regard to our Other Listed Subsidiary/ Associates which made any Capital Issue during the last 3 years is not applicable.

### **Promise Versus Performance for our Company**

Our Company is an “unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

### **Performance Vis-A-Vis Objects – Public/ Right Issue of our Company and / or Listed Subsidiary and Associates of our Company**

Except as stated under section titled ‘*Capital Structure*’ beginning on page 68 of this Red Herring Prospectus our Company has not undertaken any previous public or rights issue. The Company do not have subsidiary/associates as on the date of this Red Herring Prospectus.

### **Performance Vis-A-Vis Objects - Last Issue of Listed Subsidiary/ Associate Companies**

The Company do not have any subsidiary/associates as on the date of this Red Herring Prospectus.

### **Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Outstanding Convertible Instruments Issued by our Company**

Our Company has not issued any debentures or bonds redeemable preference shares or other Outstanding Convertible instruments in the past.

### **Partly Paid-Up Shares**

As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

### **Option to Subscribe**

Equity Shares being issued through this Red Herring Prospectus can be applied for in dematerialized form only.

### **Stock Market Data for our Equity Shares**

Our Company is an “unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

### **Mechanism for Redressal of Investor Grievances**

Our Company has appointed “Bigshare Services Private Limited” as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of our Company.

The agreement dated July 31, 2023 between the Registrar to the Issue and our Company provides for retention of records with the Registrar for a period of at least 3 years from the last date of dispatch of the letters of Allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to the Issue with a copy to the Compliance Officer, giving full details such as the name, address of the Applicant, number of Equity Shares applied for, UPI-ID (if applicable) amount paid on Application and the bank branch or Collection Center where the Application was submitted. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be 7 Business Days of our Company from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on July 03, 2023 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

| <b>Name of the Member</b> | <b>Nature of Directorship</b>            | <b>Designation in the Committee</b> |
|---------------------------|------------------------------------------|-------------------------------------|
| Mr. Purav D Shah          | Non -Executive Independent Director      | Chairman                            |
| Mr. Gaurav Jindal         | Non -Executive Independent Director      | Member                              |
| Mrs. Ankita Handa         | Non-Executive – Non-Independent Director | Member                              |

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on Application and the Designated Branches or the Collection Center of the SCSB where the Application Form was submitted by the ASBA Applicants in ASBA Account or UPI-ID linked bank account number in which the amount equivalent to the Application Amount was blocked.

The Applicant should give full details such as name of the First/ Sole Applicant, Application Form number, Applicant DP-ID, Client-ID, PAN, bank account number, UPI-ID, 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 Applicant shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

#### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicants shall redress routine investor grievances within 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board meeting held on July 03, 2023. For further details, please refer to the section titled '*Our Management*' beginning on page 145 of this Red Herring Prospectus.

Our Company has appointed Mrs Poonam Jain, 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:

**Mrs. Poonam Jain,**  
**Company Secretary and Compliance Officer,**  
**Newjaisa Technologies Limited,**  
**(formerly known as Newjaisa Technologies Private Limited),**  
 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road,  
 Off Kanakpura Road, Near Delhi Public School  
 Bangalore, 560078, Karnataka, India  
**Email:** cs@newjaisa.com  
**Website:** https://newjaisa.com/

Investors can contact the Company Secretary and 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 allocation, credit of Allotted Equity Shares in the respective beneficiary account or unblocking of funds, 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 3 years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring 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 or any listed subsidiaries or any listed promoters.

### **Capitalisation of Reserves or Profits**

Save and except as stated in the section titled ‘*Capital Structure*’ beginning on page 68 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last 5 years.

### **Revaluation of Assets**

Our Company has not revalued its assets since incorporation till the date of this Red Herring 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 Exchange. For details, please refer the section titled ‘*Statement of Possible Tax Benefits*’ beginning on page 102 of this Red Herring Prospectus.

### **Purchase of Property**

Other than as disclosed in this Red Herring 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 this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring 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**

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 under sections titled ‘*Our Management*’ and ‘*Related Party Transactions*’ beginning on page 145 and 171 respectively of this Red Herring 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 provisions of securities laws, if any:**

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI.

## SECTION XI: ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, 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 all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Issue.*

*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 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, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its 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 (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI 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, with respect to Application 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 Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Further, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), has been notified and made effective on a voluntary basis for public issues opening on or after September 1, 2023, and on a mandatory basis for public issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II of the UPI Circular, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors (“UPI Phase III”), as may be prescribed by SEBI.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue:**

The present Public Issue of upto 85,00,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 07, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Annual General Meeting held on July 10, 2023 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 MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, “Main Provisions of Article of Association”, beginning on page 287 of this Red Herring 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 Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation 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 and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled “*Dividend Policy*” and “*Main Provisions of Article of Association*” beginning on page 172 and 287 respectively of this Red Herring Prospectus.

#### **Face Value and Issue Price:**

The face value of each Equity Share is ₹ 5.00 and the Issue Price at the lower end of the Price Band is ₹ 44 per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ 47 per Equity Share (“**Cap Price**”). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size has been decided by our Company in consultation with the Book Running Lead Manager and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange.

The Issue Price shall be determined by our Company and in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

#### **SEBI ICDR Regulations:**

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **Compliance with Disclosure and Accounting Norms:**

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:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) 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 Regulations, MOA and AOA 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 “*Main Provisions of the Articles of Association*” beginning on page 287 of this Red Herring Prospectus.

#### **Allotment of Equity Shares in dematerialized form:**

As per the provisions of the Depositories Act, 1996 and the regulations made thereunder and pursuant to Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated May 22, 2023 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated May, 22, 2023 between CDSL, our Company and Registrar 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 3,000 Equity Shares and the same may be modified by the NSE Emerge (SME platform of NSE) from time to time by giving prior notice to investors at large.

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, the minimum application size in terms of number of specified securities shall not be less than Rupees 1 (One) Lakh per application

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3,000 Equity Shares is subject to a minimum allotment of 3,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees:**

Further in accordance with the Regulation 268(1) of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 (fifty). In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

### **Jurisdiction:**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Bengaluru, Karnataka.

**The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 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 U.S. Securities Act, 1933 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.**

### **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 Corporate 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:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) 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.

#### **Period of Subscription List of Public Issue:**

| <b>Event</b>                                                                                           | <b>Indicative Dates</b>                    |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------|
| Bid/ Issue Opening Date                                                                                | Monday, September 25, 2023 <sup>1</sup>    |
| Bid/ Issue Closing Date                                                                                | Wednesday, September 27, 2023 <sup>2</sup> |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                  | On or about Wednesday, October 04, 2023    |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account* | On or about Thursday, October 05, 2023     |
| Credit of Equity Shares to Demat Accounts of Allottees                                                 | On or about Friday, October 06, 2023       |
| Commencement of Trading of The Equity Shares on the Stock Exchange                                     | On or about Monday, October 09, 2023       |

*Note <sup>1</sup>Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be (1) one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

*<sup>2</sup>Our Company in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs (1) one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

*\*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 Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, which period shall start from the day following the receipt of a complaint from the Bidder. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and 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, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022, shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*

*The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 (six) Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

#### **Submission of Bid**

Bid-Cum- Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid-Cum- Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non- retail Bidders. The time for applying for Retail Individual Bidders on Bid/ Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

#### **On the Bid/ Issue Closing Date, the Bids shall be uploaded until:**

- 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Manager and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Cap Price on the price band shall be less than or equal to 120% (one hundred and twenty per cent.) of the Floor price. The Cap Price of the price band shall be at least 105% (one hundred and five percent) of the Floor Price. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least (3) three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 ten Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

#### **Minimum Subscription and Underwriting:**



This Issue is not restricted to any minimum subscription level and 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 30 (thirty) days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 4 (four) days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

Further, in accordance with Regulation 268(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI ICDR Regulations, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the section titled “*General Information - Underwriting*” on page of this Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, the minimum application size in terms of number of specified securities shall not be less than Rupees One (1) Lakh per application.

#### **Migration to Main Board:**

As per the provisions of the Chapter IX of the SEBI ICDR Regulation, 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 Crores 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 fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board. Or

If the Paid-up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores and if the company fulfils the eligibility criteria for listing laid down by the main board, we may still apply for migration to the main board 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 (NSE Emerge), wherein the Book Running 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 Book Running Lead Manager and the Market Maker please refer to section titled “*General Information - Summary of the Key Details Pertaining to the Market Making Arrangement*” on page 55 of this Red Herring Prospectus.

#### **Arrangements for disposal of odd lots:**

The trading of the Equity Shares will happen in the minimum contract size of 3,000 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 platform of NSE.

#### **As per the extent Guideline 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.

#### **Allotment of Equity Shares in Dematerialized Form:**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

#### **New Financial Instruments:**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

#### **Application by Eligible NRI's, FPI's, VCF's, AIF's 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.

#### **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 Promoters minimum contribution in the Issue as detailed under section titled “*Capital Structure*” beginning on page 68 of this Red Herring 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 to section titled “*Main Provisions of the Articles of Association*” beginning on page 287 of this Red Herring Prospectus.

#### **Pre-Issue Advertisement:**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing 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.

#### **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The Book Running Lead Manager through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

*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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring 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 and regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Issue paid up capital is more than ten crore rupees but less than twenty five crore rupees, 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 NSE Emerge i.e. SME platform of NSE). For further details regarding the salient features and terms of such an issue please refer section titled "*Terms of the Issue*" and "*Issue Procedure*" on page 247 and 258 of this Red Herring Prospectus.

### Issue Structure

Initial Public Offer of upto 84,96,000 Equity Shares of ₹ 5 each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating upto ₹ [●] Lakhs ("**the Issue**") by the issuer Company (the "**Company**").

The Issue comprises a reservation of upto 4,26,000 Equity Shares of ₹ 5 each for subscription by the designated Market Maker ("**the Market Maker Reservation Portion**") and Net Issue to Public of upto 80,70,000 Equity Shares of ₹ 5 each ("**the Net Issue**"). The Issue and the Net Issue will constitute 26.40% and 25.07%, respectively of the post Issue paid up equity share capital of the Company.

The Issue is being made through the Book Building Process.

| Particulars of the Issue <sup>(2)</sup>                  | Market Maker Reservation Portion | QIBs <sup>(1)</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                         | Non-Institutional Investors/Bidders                                                                                                      | Retail Individual Investors/Bidders                                                                                                      |
|----------------------------------------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Number of Equity Shares available for allocation</b>  | Upto 4,26,000 Equity Shares      | Not more than 40,32,000 Equity Shares                                                                                                                                                                                                                                                                                                                                                                                                                       | Not less than 12,12,000 Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Retail Individual Bidders | Not less than 28,26,000 Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders |
| <b>Percentage of Issue Size available for allocation</b> | 5.01% of the Issue Size          | Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion | Not less than 15% of the Net Issue or Net Issue less allocation to QIB Bidders and RIBs will be available for allocation.                | Not less than 35% of the Net Issue or Net Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation.  |
| <b>Basis of Allotment</b> <sup>(3)</sup>                 | Firm Allotment                   | Proportionate as follows (excluding the Anchor Investor Portion):                                                                                                                                                                                                                                                                                                                                                                                           | Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB                                                        | Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot,                                                   |

|                          |                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                   |
|--------------------------|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                          |                                                                                                    | <p>(a) Up to 81,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>(b) Up to 15,33,000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>Up to 60% of QIB Portion (of upto 24,18,000 Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p> | <p>Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see “<b>Issue Procedure</b>” beginning on page 258 of this Red Herring Prospectus.</p> | <p>subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see “<b>Issue Procedure</b>” beginning on page 258 of this Red Herring Prospectus.</p> |
| <b>Mode of allotment</b> | Compulsorily in dematerialized form.                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                   |
| <b>Minimum Bid Size</b>  | 4,26,000 Equity Shares                                                                             | Such number of Equity Shares and in multiples of 3,000 Equity Shares that the Bid Amount exceeds ₹200,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Such number of Equity Shares and in multiples of 3,000 Equity Shares that the Bid Amount exceeds ₹200,000                                                                                                                                                                                    | Such number of Equity Shares in multiples of 3,000 Equity Shares so that the Bid Amount does not exceed ₹200,000                                                                                                                                                  |
| <b>Maximum Bid Size</b>  | 4,26,000 Equity Shares                                                                             | Such number of Equity Shares in multiples of 3,000 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Such number of Equity Shares in multiples of 3,000 Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits                                                                                                                           | Such number of Equity Shares in multiples of 3,000 Equity Shares so that the Bid Amount does not exceed ₹200,000                                                                                                                                                  |
| <b>Trading Lot</b>       | 3,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required | 3,000 Equity Shares and in multiples thereof                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 3,000 Equity Shares and in multiples thereof                                                                                                                                                                                                                                                 | 3,000 Equity Shares and in multiples thereof                                                                                                                                                                                                                      |

|                         |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                            |                               |                                                                    |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------|--------------------------------------------------------------------|
|                         | under the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                 |                                                            |                               |                                                                    |
| <b>Terms of Payment</b> | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup> |                                                            |                               |                                                                    |
| <b>Mode of Bidding</b>  | Only through the ASBA process.                                                                                                                                                                                                                                                                                                                                                                   | Only through the ASBA process (Except for Anchor Investor) | Only through the ASBA process | Through ASBA Process, Through Banks or by using UPI ID for payment |

This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time.

- (1) *Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations this is an Issue for at least 25% of the post Issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI ICDR Regulations.*
- (3) *Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*
- (4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

The Bids by FPIs with certain structures as described under “**Issue Procedure**” on page 258 and having same Permanent Account Number (‘PAN’) may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

### **Withdrawal of the Issue**

In accordance with SEBI ICDR Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ 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 Book Running 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 our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring 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 filing of Red Herring Prospectus/ Prospectus with RoC.

**Bid/ Issue Program**

| <b>Event</b>                                                                                          | <b>Indicative Date</b>                  |
|-------------------------------------------------------------------------------------------------------|-----------------------------------------|
| Bid/ Issue Opening Date                                                                               | Monday, September 25, 2023              |
| Bid/ Issue Closing Date                                                                               | Wednesday, September 27, 2023           |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                 | On or about Wednesday, October 04, 2023 |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or about Thursday, October 05, 2023  |
| Credit of Equity Shares to Demat accounts of Allottees                                                | On or about Friday, October 06, 2023    |
| Commencement of trading of the Equity Shares on the Stock Exchange                                    | On or about Monday, October 09, 2023    |

*Our Company in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be 1 (one) Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.*

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 Centres mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- A standard cut-off time of 3.00 P.M. for acceptance of applications.
- A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual bidders.
- A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual bidders, 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 Book Running Lead Manager to NSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis- à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum- application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issue prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section titled “PART B – 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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public Issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Bidders applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“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 (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs 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 will continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“**UPI Phase III**”), as may be prescribed by SEBI.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the Full Application Amount along with the Application Form.

### **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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “**UPI Circulars**”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be 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 RIBs 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 Mechanism, the UPI Circular proposes to introduce and implement the UPI 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 mainboard 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 Applicant 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 was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.*

**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 offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are 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 Applicants into the UPI mechanism.*

*For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.*

## **PART A**

### **Book Building 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, 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(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which 1/3<sup>rd</sup> (one-third) shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except the QIB Portion, 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 Book Running Lead Manager, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.***



## Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least 1 (one) day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

### **Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the Book Running Lead Manager. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

| Category                                                                                                 | Colour* |
|----------------------------------------------------------------------------------------------------------|---------|
| Anchor Investor**                                                                                        | White   |
| Indian Public/eligible NRI's applying on a non-repatriation basis (ASBA)                                 | White   |
| Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA) | Blue    |

*\*Excluding Electronic Bid cum Application Form*

*\*\*Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA 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.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

| Sr.no. | Designated Intermediaries                                                                                                                                              |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | An SCSB, with whom the bank account to be blocked, is maintained                                                                                                       |
| 2.     | A syndicate member (or sub-syndicate member)                                                                                                                           |
| 3.     | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’) |
| 4.     | A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)                                           |
| 5.     | A registrar to an Issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)                  |

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “**Intermediaries**”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary 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 Bid Cum Application Form, in physical or electronic mode, respectively.

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, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange 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 to intermediaries other than SCSBs:</b>                             | After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.                                                                                                                                                                                                                                |
| <b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b> | After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, 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 to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange 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 bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

#### **Availability of Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least 1 (one) day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, 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. Bidders are requested to refer to the Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders 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 Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: 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) Mutual Funds registered with SEBI;
- e) 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;
- f) 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);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) 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;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) 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;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

### **Applications not to be made by:**

- 1. Minors (except through their Guardians)
- 2. Partnership firms or their nominations
- 3. Foreign Nationals (except NRIs)
- 4. Overseas Corporate Bodies (OCBs)\*

**\* - As per the existing 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 138 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 by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### **1. For Retail Individual Bidders**

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000/-. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000/-.

### **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 3,000 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, 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 Bidder 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 Bidders, 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.

**Bidders are advised to ensure that any single Application from them 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 this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the Book Running 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 Red Herring Prospectus. Bidders 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.**

## **METHOD OF BIDDING PROCESS**

Our Company in consultation with the Book Running Lead Manager has decided the Price Band and the minimum Bid lot size for the Issue. The Book Running Lead Manager and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of 3 (three) Working Days and shall not exceed 10 (ten) Working Days. The Bid/ Issue Period maybe extended, if required, by an additional 3 (three) Working Days, subject to the total Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper “Financial Express”, all editions of Hindi national newspaper “Jansatta” and Bengaluru edition of regional newspaper “Vishwani” where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to 3 (three) optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application

Form to either the same or to another Book Running Lead Manager or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “**Build-up of the Book and Revision of Bids**”.

- e) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager /the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“**TRS**”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to 3 (three) TRSs for each Bid cum Application Form
- f) The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. 1 (one) working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “**Issue Procedure**” beginning on page 258 of this Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum 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 Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the Book Running Lead Manager, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the SCSBs. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

**Participation by Associates /Affiliates of Book Running Lead Manager and the Self Certified Syndicate Banks ('Syndicate Members' or 'SCSBs')**

The Book Running 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 Book Running Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

**Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

**Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act.

In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **Bids by Anchor Investors:**

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the Book Running Lead Manager.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs
3. 1/3<sup>rd</sup> (One-third) of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open 1 (one) Working Day before the Bid/ Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but upto ₹ 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

10. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
11. The Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book Running Lead Manager and made available as part of the records of the Book Running Lead Manager for inspection by SEBI.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

**Bids by eligible NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Book Running Lead Manager and the Designated Intermediaries. Eligible NRI Bidders bidding 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") ASBA Accounts, and 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 Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

**Bids by FPI including FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of 3 (three) years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may



Issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS by SEBI registered VCF'S, AIF'S and FVCI'S:**

The SEBI FVCI Regulations and the AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

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 AIF 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 AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the AIF 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 Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **Bids by HUFs:**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum 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". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **Bids by Mutual Funds:**

No Mutual Fund scheme shall invest more than 10 % of its net asset value in equity shares or equity related instruments of any single 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.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids 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.

#### **Bids by Systematically Important Non-Banking Financial Companies:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **Bids by Limited Liability Partnerships:**

In case of Bids 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 Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **Bids by Insurance Companies:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) 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;
- 2) 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
- 3) 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 (1), (2) and (3) 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.

#### **Bids under Power of Attorney:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, 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 along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids 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 along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, 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 Bid cum Application Form.
- d) With respect to Bids 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 Bid cum Application Form
- e) Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **Bids by Provident Funds / Pension Funds:**

In case of Bids 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 lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **Bids by Banking Company:**

In case of Bids 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 Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' 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 RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **Bids by SCSB'S:**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **Issuance of a Confirmation note ("CAN") and allotment in the Issue:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar to the Issue will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> . For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the Issue shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Issue to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar to the Issue is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB 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 Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within 1 (one) day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization 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 Bidder, 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 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, Retail Individual Bidders applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: — “Newjaisa Technologies Limited– Anchor - R”
- b. In case of Non-Resident Anchor Investors: — “Newjaisa Technologies Limited – Anchor - NR”
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,

- b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
    - (i) The applications accepted by any Designated Intermediaries or
    - (ii) The applications uploaded by any Designated Intermediaries or
    - (iii) The applications accepted but not uploaded by any Designated Intermediaries
  5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
  6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| S. No. | Details*          |
|--------|-------------------|
| 1.     | Symbol            |
| 2.     | Intermediary Code |
| 3.     | Location Code     |
| 4.     | Application no.   |
| 5.     | Category          |
| 6.     | PAN               |
| 7.     | DP ID             |
| 8.     | Client ID         |
| 9.     | Quantity          |
| 10.    | Amount            |

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given 1 (one) day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Manager at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the Book Running Lead Manager

and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|--------------|----------------|---------------------|--------------|
| 500          | 24             | 500                 | 16.67%       |
| 1000         | 23             | 1500                | 50.00%       |
| 1500         | 22             | 3,000               | 100.00%      |
| 2000         | 21             | 5000                | 166.67%      |
| 2500         | 20             | 7500                | 250.00%      |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. The Issuer, in consultation with the Book Running Lead Manager, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/Prospectus with ROC**

- 1) Our company has entered into an Underwriting Agreement dated September 16, 2023
- 2) A copy of Red Herring Prospectus will be filed with the ROC and copy of Prospectus will be filed with ROC in terms of Section 26 and Section 32 of Companies Act, 2013.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:**

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### **GENERAL INSTRUCTIONS:**

Please note that the Non-Institutional Investor ('NIIs') are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investors ('RIIs') can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

**Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RIIs may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum 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 Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum 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 ASBA Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgement;
13. Except for Bids (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) Bids 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 Bidders should mention their PAN allotted under the Income Tax Act, 1961. 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;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. 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;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum 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 Bids are liable to be rejected. Where the Bid cum 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 Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. 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 Offer;
24. 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;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum 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 Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and



27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the 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 Red Herring Prospectus;
11. Do not submit the General Index Register ('GIR') number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid 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);
16. Do not submit a Bid 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 Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Other instructions for the Bidders**

##### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders 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 Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

##### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

##### **Investor Grievance**

In case of any pre-Issue or post Issue related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

##### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective Depository Participant.

## Submission of Bids

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the Red Herring Prospectus.

## GROUND OFS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples of Equity Shares which are not in multiples as specified in the Red Herring Prospectus;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE**

**STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

## **BASIS OF ALLOCATION**

- a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Draft Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

## **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Red Herring Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis.

## **BASIS OF ALLOTMENT**

### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 28,26,000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 28,26,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 1,21,20,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 12,12,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or Red Herring Prospectus / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be

available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto 95% of the QIB portion in multiples of 3,000 Equity Shares.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders. and
  - Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

**d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:
  - i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
    - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

**c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

**d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

**e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- (i) 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 oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- (ii) The number of Shares to be allocated to the successful Bidders 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).
- (iii) For Bids where the proportionate allotment works out to less than 3,000 equity shares the allotment will be made as follows
  - Each successful Bidder shall be allotted 3,000 equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw 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 (ii) above.
- (iv) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 3,000 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 3,000 equity shares subject to a minimum allotment of 3,000 equity shares.
- (v) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Red Herring Prospectus.
- (vi) 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 NSE.
- (vii) The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the 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.

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 (four) working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within 1 (one) 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 shall transfer 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 4 (four) working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

**Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum 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 Centre is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com) with a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

**Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder 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.

**Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. 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 Bid Cum Application Form, in physical or electronic mode, respectively.

**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 Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof 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.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. 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; and
3. 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.

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the Book Running Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Impersonation**

*Attention of the Bidders 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 for action under Section 447."

### **Undertakings by Our Company**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 6 (six) Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within 2 (two) days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

8. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company 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 referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company 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 the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to 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.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated May 22, 2023 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated May 22, 2023 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE0PW501021



## 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 the 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 for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “**FDI Policy**”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a Non-Resident does not require the prior approval of the RBI, provided that:

- i) The activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SAST Regulations;
- ii) The Non-Resident shareholding is within the sectoral limits under the FDI Policy; and
- iii) The pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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. For details, please refer to the section titled ‘*Issue Procedure*’ beginning on page 258 of this Red Herring Prospectus.

### Foreign Exchange Laws

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017.

Foreign investment in this Offer shall be on the basis of the FEMA Rules.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government.

Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular

country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

#### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020, 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 Foreign Exchange Management (Non-debt Instruments) Rules, 2019. 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 Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

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, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, 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.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “**Prospectus Directive**”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

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 Book Running 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 Red Herring 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 XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

### **THE COMPANIES ACT, 2013 (COMPANY LIMITED BY SHARES) ARTICLES OF ASSOCIATION OF**

#### **NEWJAISA TECHNOLOGIES LIMITED**

The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on May 04, 2023 In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.

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.

1. The regulations contained in Table 'F' of Schedule I of Companies Act 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles

#### **INTERPRETATION**

2. In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:

- a) **"The Company"** or **"This Company"** means **NEWJAISA TECHNOLOGIES LIMITED**.
- b) **"The Act"** means the Companies Act, 2013.
- c) **"These Articles"** or **"Articles"** means Article of Association of the Company as originally framed or altered from time to time by Special Resolution or applied in pursuance of any previous Company law or of this Act.
- d) **"Auditors"** means and include those persons appointed as such for the time being by the Company.
- e) **"Beneficial Owner"** means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.
- f) **"Board"** or **"Board of Directors"** means the collective body of the Directors of the Company.
- g) **"Capital"** means the share capital for the time being raised or authorized to be raised, for the purpose of the company.
- h) **"The Chairman"** means the Chairman of the Board of Directors for the time being of the Company.
- i) **"Charge"** means an interest or lien created on the property or assets of a Company or any of its undertakings or both as security and includes a mortgage.
- j) **"Debentures"** includes debenture-stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the company or not.
- k) **"Depositories Act"** means the Depositories Act, 1996 and includes any statutory modification(s) or re-enactment thereof for the time being in force.
- l) **"Depository"** means a Depository as defined in clause (e) sub- section (1) of section 2 of the Depositories Act, 1996.
- m) **"Director"** means a director appointed to the Board of a company.
- n) **"Dividend"** includes any interim dividend.

- o) **“Executor”** or **“Administrator”** means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.
- p) **“Legal Representative”** means a person who in law represents the estate of a deceased Member.
- q) **“Members”** in relation to a Company, means;
  - A. The subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;
  - B. Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;
  - C. Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a Depository.
- r) **“Meeting”** or **“General Meeting”** means a meeting of the members of the Company.
- s) **“Annual General Meeting”** means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act.
- t) **“Extraordinary General Meeting”** means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.
- u) **“Month”** means a calendar month.
- v) **“National Holiday”** means and includes a day declared as National Holiday by the Central Government.
- w) **“Office”** means the registered office for the time being of the Company.
- x) **“Ordinary or Special Resolution”** means an ordinary resolution, or as the case may be, special resolution referred to in Section 114 of the Act.
- y) **“Paid-up share capital”** or **“share capital paid up”** means such aggregate amount of money credited as paid up as its 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.
- z) **“Proxy”** means an instrument whereby any person is authorized to attend a meeting and vote for a member at the general meeting on a poll and includes attorney duly constituted under the power of attorney.
- aa) **“Register of Beneficial Owners”** means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of Electronic Mode
- bb) **“The Register of Members”** means the Register of Members to be kept pursuant to Section 88 of the Act and includes Register of Beneficial Owners.
- cc) **“The Registrar”** means the Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar, or an Assistant Registrar, having the duty of registering Companies and discharging various functions under the Act.
- dd) **“The Company’s Regulations”** means the regulations for the time being for the management of the Company.
- ee) **“Key managerial personnel”**, in relation to a Company, means –

- A. The Chief Executive Officer or the Managing Director or the Manager;
  - B. The Company secretary;
  - C. The Whole time director;
  - D. Chief Financial Officer;
  - E. Such other officer as may be prescribed;
- ff) “**Company Secretary**” or “**Secretary**” means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act.
- gg) “**Security**” means Shares, Debentures and/or such other securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956
- hh) “**Share**” means a share in the share capital of a Company and includes stock
- ii) “**The Seal**” means the common seal of the Company.
- jj) “**The Statutes**” means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.
- kk) “**Year**” and “**Financial Year**” “**Years**” means the calendar year and “**Financial Year**” shall have the meaning assigned thereto by Section 2 (41) of the Act.
- ll) Words importing the **singular number** include, where the context admits or requires, the plural number and vice versa.
- mm) Save as aforesaid, **words or expressions contained in these Articles shall bear** the same meaning as in the Act or any statutory modifications thereof for the time being in force.
- (i) 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.

### **CAPITAL AND INCREASE AND REDUCTION OF CAPITAL**

3. The Authorised Share Capital of the Company Shall be of such amount as may be mentioned in the Capital Clause of the Memorandum of Association of the Company from time to time.
4. The Company in General Meeting may from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified rights to dividends, and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Sections 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.
5. Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
  - (i) 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 following conditions, namely:—
    - (a) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or lessor days as may be prescribed in the Act and not exceeding thirty

days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

- (b) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right; (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;
- (ii) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or
- (iii) to any persons, if it is authorised 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.

Nothing in this Article shall apply to the increase of the subscribed capital of a 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.

6. Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.
7. On the issue of redeemable preference shares under the provisions of Article 6 hereof, the following provisions shall take effect:-
  - (i) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.
  - (ii) no such shares shall be redeemed unless they are fully paid.
  - (iii) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the shares capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
8. The Company may (subject to the provisions of Sections 55 and 66 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share premium Account in any Manner for the time being authorized by law, and in particular capital may be paid off on the footing that it may be called upon against or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
9. Any debentures, debenture-stock or other securities may be issued at a 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 (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
10. The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

11. The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.
12. Subject to the provisions of section 61 of The Act, the Company in General Meeting may from time to time sub-divide or consolidated its shares, or any of them, and the resolution whereby any shares sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some reference or special advantages as regards dividend, capital or otherwise over or as compared with the others or other, Subject as aforesaid, the Company in general Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its shares capital by the amount of the shares so cancelled.

#### **AUTHORISING COMPANY TO BUY BACK ITS OWN SHARES**

13. 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.

#### **SHARE AND CERTIFICATES AND VARIATION OF RIGHTS**

14. 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 and in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section the Act) and at such time as they may from time to time think fit and with sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors thinks fit, and may issue ad allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
  - (i) Unless the shares have been issued in dematerialized form in terms of applicable laws, 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 one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
    - (a) one certificate for all his shares without payment of any charges; or
    - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
  - (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
  - (iii) 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.
  - (iv)
    - (a) Where a new certificate has been issued in pursuance of this Articles, particulars of every such share certificate shall be entered in a Register of renewed and duplicate certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes in the Register of Members by suitable cross reference in the “Remarks” column.
    - (b) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so



approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificates of shares shall be under the seal or the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that, in respect of a 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 of shares to one or several joint holders shall be a sufficient delivery to all such holder.

15.

- (i) If any share certificate be worn out, defected, 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 to the party entitled to such lost or destroyed Certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

- (ii) The provisions of this Articles shall mutatis mutandis apply to debentures of the company.

- 16. 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 recognised in accordance with the Act) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. If any shares stands in the names of two or more persons, the person first named in the register shall be regards receipt of dividends or bonus or service of notice and all or any other matters connected with the company, except voting at meetings be deemed the sole holder thereof, but the joint holders of the share, shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the company regulations.
- 17. Except as ordered by a Court of competent jurisdiction or as by law required, the company shall not bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any rights in respect of a share other than absolute rights thereto, in accordance with these Article, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
- 18. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
- 19. None of the funds of the company shall be applied for the purchase of any share of the company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the company or in its holding company save as provided by section 67 of the Act.

20.

- (i) 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 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.
- (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.

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 *pari passu* therewith.

#### **DEMATERIALIZATION OF SECURITIES**

- 21. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.
- 22. The Board or any Committee thereof shall be entitled to dematerialize Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended. The provisions of this Section will be applicable in case of such Securities as are or are intended to be dematerialized.
- 23. Every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities 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 law, in respect of any securities in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue to the Beneficial Owner the required certificates for the Securities.
- 24. If a person opts to hold his securities with the Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.
- 25. All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by on behalf of the Beneficial Owners.
- 26.
  - (i) .Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities of the Company on behalf of the Beneficial Owner.
  - (ii) ii. Save as otherwise provided in sub-clause 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.
  - (iii) iii. Every person holding Securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the Securities which are held by a Depository and shall be deemed to be a Member of the Company.
- 27. Notwithstanding anything to the contrary contained in these Articles, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of Electronic Mode or by delivery of floppies or discs.

28. Nothing contained in Section 56 of the Act or anything to the contrary contained in these Articles 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.
29. Notwithstanding anything to the contrary contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.
30. Notwithstanding anything to the contrary contained in these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to securities held with a Depository.
31. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

#### **UNDERWRITING AND BROKERAGE**

32. Subject to the provisions of section 40 of the Act:
- (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.
  - (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.
  - (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.
33. The company may pay a reasonable sum for brokerage.

#### **CALLS ON SHARES**

- 34.
- (i) 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:  
Provided that no call shall exceed one-fourth of the nominal value of the share (or such other per cent. determined the Board or prescribed under applicable law) or be payable at less than one month or such other period prescribed under applicable law from the date fixed for the payment of the last preceding call.
  - (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.
  - (iii) A call may be revoked or postponed at the discretion of the Board.
35. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
36. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 37.
- (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.
  - (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

38.

- (i) 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.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

39. The Board

- (a) 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
- (b) 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.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

#### **LIEN**

40. The company shall have a first and paramount lien:

- (a) upon all share/debenture (not being a fully paid share/debenture), (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture; and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures.
- (b) Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the company's lien If any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.
- (c) The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

41. 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:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) 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.

42.

- (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (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.

43.

- (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.
- (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.

#### **FORFEITURE OF SHARES**

44. If a member fails to pay any call, or installment 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 installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

45. The notice aforesaid shall:

- (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
- (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.

46. 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. Such forfeiture shall include all dividends declared in respect of forfeited shares and not actually paid before the forfeiture.

47. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.

48. The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in all claims and demands against the Company in respect of the share and all other rights, incidental to the share except only such of those rights as by these Articles are expressly saved.

49.

- (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

50.

- (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 (calls, installments, interest and expenses) which, at the date of forfeiture, were presently payable by him to the company in respect of the shares and Board may enforce the payment thereof or any part thereof, without any deduction or allowance for the value for the shares at the time of forfeiture, but shall not be under any obligation to do so.
- (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.

51.

- (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;

- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;
  - (iii) The transferee shall thereupon be registered as the holder of the share; and
  - (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.
52. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the company have been seen previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons, entitled thereto.
53. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

### **TRANSFER AND TRANSMISSION OF SHARES**

54. The
- (i) Instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
  - (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.
  - (iii) The Instrument of transfer shall be in writing and all provisions of Section 56 of the Act, and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
  - (iv) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document
55. The Board may, subject to the right of appeal conferred by section 58 decline to register:
- (i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (ii) any transfer of shares on which the company has a lien.
56. The Board may decline to recognise any instrument of transfer unless:
- (i) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (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
  - (iii) the instrument of transfer is in respect of only one class of shares.
57. 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:
- 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.
- 58.

- (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 recognized by the company as having any title to his interest in the shares.
- (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.

59.

- (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:
  - (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made
- (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.

60.

- (i) the person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member of the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents may with the consent of Board of Directors (which shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under his article of his title, as the Board of Directors thinks sufficient, either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board of Directors registered as such holder.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (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.

61. 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:

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.

62. No share shall in any circumstances be transferred to any infant, insolvent or persons of unsound mind.
63. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. The Company shall also use a common form of transfer. Subject to applicable law, the Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).
64. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right title or interest to or in the said shares,

notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto, in any book or the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may been entered or referred to in some book of the Company, but the company shall nevertheless be at liberty to regard and attend to any such notice and given effect thereto, if the Board of Directors shall so think fit.

65. Subject to the provisions of the Act, these Articles, or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused 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 except where the Company has a lien on shares.

#### **BOARD TO RECOGNIZE BENEFICIAL OWNERS OF SECURITIES**

66. Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.
67. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its securities held by a Depository.
68. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

#### **NOMINATION**

69. Every holder of Shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or Debentures of the Company shall vest in the event of death of such holder.
70. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.
71. Notwithstanding anything to the contrary contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.
72. Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.



## **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

73. Copies of the Memorandum and Articles of Association of the Company and of other documents referred to in Section 17 of the Act shall be sent by the Board to every Member at his request, within 7 days of the request, on payment of rupee one hundred for each copy

## **BORROWING POWER**

74. The Board may, from time to time at its discretion subject to the provisions of Sections 179 and of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company, provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.
75. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it may think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.
76. Any debentures, debenture-stock, bonds or other securities may be issued at a 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 (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution.
77. Save as provided in Section 56 of the Act no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.
78. If the Board refuses to register transfer of any debentures the company shall, within one month from the date on which the instrument of transfer was lodged with the Company send to the transferee and to the transferor notice of the refusal.
79. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of the Act in that behalf to be duly complied with, so far as they fail to be complied with by the Board.
80. The Company shall if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or Country outside India a branch of Debenture-holders resident in that State or country.

## **CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

81. The Company in General Meeting may convert any paid-up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstance will admit. The company may at any time reconvert any stock into paid-up shares of any denomination.
82. 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 meeting of the Company and matters as if they held the shares from which the stock arose, but no such privileges or advantage (except participation in the Dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

## MEETINGS OF MEMBERS

83. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual general meetings shall be Extra-ordinary General Meetings. The first Annual General Meeting shall be held within a period of nine month from the date of closing of the first financial year of the Company and in any case, within a period of six months, from the date of closing of the year, provided that not more than fifteen months shall elapse between the date of one annual general meeting of a Company and that to the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the register under provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, that is between 9.00 AM to 6.00 PM on any day that is not a National Holiday and shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its Subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report (if not already incorporated in the Audited Statement of Accounts) the proxy Register with proxies and the Register open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Register in accordance with Section 92 and 137 of the Act.
84. The Board may, whenever it deems fit, call an extra ordinary general meeting of the Company.
85. The extraordinary general meeting shall be called by the Board, at the requisition in writing made by such number of members who hold, on the date of receipt of requisition, not less than one-tenth of such of paid-up capital of the Company as on the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
86. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the registered office of the Company, provided that such requisition may consist of several documents in loose form and each shall be signed by one or more requisitionists.
87. Upon the receipt of any such requisition the Board shall within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call an extra ordinary general meeting for the consideration of that matter on a day not later than forty -five days from the date of receipt of such requisition. The requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of the paid-up share capital of the Company as is referred to section 100 of the Act, whichever is less, may themselves call the meeting, but in either case, any meeting so called may be held within three months from the date of the delivery of the requisition as aforesaid.
88. Any reasonable expenses incurred by the requisitionist in calling an extraordinary meeting shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such directors who were in default in calling the meeting.
89. Any meeting called under the foregoing Articles by the requisitionists shall be called and held in the same manner, as nearly as possible, as that in which meeting is to be called and held by the Board.
90. A general meeting of the Company may be called by giving not less than clear twenty-one days notice either in writing or through electronic mode in such manner as may be prescribed.
- Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or in electronic mode by not less than 95% of the members entitled to vote at such meeting.  
Notice shall, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Article entitled to receive notice from the Company.
91. A notice calling the meeting shall be annexed with the statement setting out the following material facts concerning each item of special business to be transacted at a general meeting:

- (i) The nature of concern or interest, financial or otherwise, if any, in respect of each items of
    - (a) Every director and the manager, if any;
    - (b) Every other key managerial personnel; and
    - (c) Relatives of the persons mentioned in sub-clause (i) and (ii) hereinabove;
  - (ii) Any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
92. In the case of an Annual General Meeting, all business to be transacted thereat shall be deemed special, other than:
- (i) the consideration of the financial statements, and the reports of the Board of Directors and auditors.
  - (ii) the declaration of any dividend.
  - (iii) the appointment of Directors in place of those retiring.
  - (iv) the appointment of, and fixing of the remuneration of, the auditors, and in case of any other meeting, all business shall be deemed to be special.
- Provided, that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two percent of the paid up share capital of the company, also be set out in the statement.
93. Any accidental omission to give notice to, or the non-receipt of such notice as aforesaid by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.
94. Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement as referred in Article 79.
95. The notice of every meeting of the company shall be given to:
- (i) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;
  - (ii) the auditor or auditors of the Company; and
  - (iii) every director of the Company.
96. No General Meeting, Annual or Extraordinary, shall be competent to enter upon discuss or transact any business, which has not been mentioned in the notice or notices upon which it was convened.
97. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.
98. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.
99. If, at the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company
- (i) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other date and such other time and place as the Board may determine; or
  - (ii) the meeting called by requisitionist under section 100 of the Act, shall stand cancelled.

Provided, that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (i), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

100. The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meetings he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the directors present may choose one of their member to be the Chairman of the meetings. If no director be present or if all the director present decline to take the chair, then the Members present shall elect one of themselves to be the Chairman thereof on a show of hands. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on a show of hands under sub-section (1) of section 104, shall continue to be the Chairman of the meeting until some other person is elected as Chairman as a result of the poll, and such other person shall be the Chairman for the rest of the meeting.
101. No business shall be discussed at any General Meeting except the election of a chairman, while the Chair is vacant.
102. The chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held but, no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### **VOTING RIGHTS AND PROXY**

103. No member shall be entitled to vote either personally or by proxy, at any General Meeting or meeting of class of shareholders either upon show of hands or upon a poll 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, and has exercised any right of lien.
104. Subject to the provisions of these Articles and without prejudice to any special privileges or restriction as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company provided, however if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 47, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.
105. On a poll taken at meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not if he votes, use all his votes or cast in the same way all the votes he used.
106. Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorized in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers including the rights to vote by proxy on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
107. Any person entitled under these Articles to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the register holder of such shares provided that forty eight hours at least before the time for holding the or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
108. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation or be signed by an officer or any attorney duly authorized by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.

109. An instrument of proxy may appoint a proxy either for the purpose of particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
110. A member present by proxy shall be entitled to vote only on a poll.
111. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
112. At any General Meeting, a Resolution put to the vote at the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result on a show of hands) demanded under section 109 or voting is carried out electronically:
- (i) by the Chairman of the Meeting; or
  - (ii) by the member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution being not less than one-tenth of the total voting power in respect of the Resolution; or
  - (iii) by any Member or Members present in person or by proxy and holding shares in the company on which as aggregate sum of Five Lakh Rupees has been paid up; or
  - (iv) by any Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid on all the shares conferring that right.

Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Meeting of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

113. In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.
114. 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 poll shall be sole judge of the validity of every vote tendered at poll.
115. If a poll is demanded as aforesaid the same shall, subject to Articles be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the office of the Company is for the time being situate and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
116. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to time. Once the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from each removal or from any other cause.
117. The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
118. If there be joint holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak

and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting, several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.

119. 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, if any member be a minor the vote in respect of his share or shares shall be by his guardian or any of his guardian if more than one to be selected in case of dispute by the Chairman of the meeting.

120. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

121.

- (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.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

122. 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.

123. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

124. 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 any power of attorney 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.

125.

- (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entire thereof in books kept for that purpose with their pages consecutively numbered.
- (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or liability of that Chairman within that period by a Director duly authorised by the Board for the purpose.
- (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meetings shall contain a fair and correct summary of the proceedings thereat.
- (v) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meetings.
- (vi) Nothing herein contained shall require or be deemed to require the inclusion in such minutes of any matter which in the opinion of the Chairman of the meeting:
  - (a) is or could reasonably be regarded, as, defamatory of any person; or
  - (b) is irrelevant or immaterial to the proceeding; or

(c) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise on absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

- (vii) Any such minutes shall be evidence of the proceedings recorded therein.
- (viii) The book containing that minutes of proceedings of general meetings shall be kept at the registered office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the directors determine, to the inspection of any member without charge.

## **BOARD OF DIRECTORS**

126.

- (i) Until Otherwise determined by a General Meeting of the Company and subject to the provisions of Sections 2(10), 149, 162 and 152 of the Act, the company shall have a Board of Directors consisting of individuals as directors and shall have a minimum of three directors and a maximum of fifteen directors.

Provided, that the Company in General Meeting by passing a special resolution, may appoint more than fifteen directors

Provided further that the Company shall have at least one women director.

- (ii) The first directors of the Company shall be:

(a) Mrs. Sukriti Vijay

(b) Mrs. Prathibha

127. A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

128. If at any time the company obtains any loans or any assistance in connection therewith by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter called "the institution") or if any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution whereby the institution subscribes for or underwriters the issue of the Company's shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more nominee directors at the Board the Company, then provisions of Section 161 of the Act and subject to the term and conditions of such loan, assistance, contract or arrangement with the institution shall be entitled to appoint one or more nominee Director or Directors, as the case may be, to the Board of the company and to remove from office of Board of Directors, any Director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The nominee Director or Directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue on office for so long as the relative loan, assistance, contract or arrangement as the case may be, subsists.

129. If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the company, then in the case of any and every such issue of Debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture director shall not be appointed in his place. A debenture director shall not be liable to retire by rotation. A Debenture director shall not be bound to hold any qualification shares.

130. The Company shall have at least one director who has stayed in India for total period of not less than one hundred and eighty-two days in the previous calendar year.

131. The Company shall have at least two directors as Independent Directors in terms of provisions of Companies (Appointment and Qualification of Directors) Rules, 2014.

132. Every Independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Act.
133. Subject of the provisions of section 152, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.
134. Notwithstanding anything contained hereof, no Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

135. The Board of Directors of the Company may, by resolution passed by the company in general meeting, appoint a person, not being a person holding any Alternate Directorship for any other director in the company, to act as an Alternate Director for a director during his absence for a period of not less than three months from India.

Provided that no person shall be appointed as an alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.

Provided further that an Alternate Director shall not hold office for a period longer than that permissible to the Director in whose place he has been appointed and shall vacate office if and when the Director in whose place he has been appointed returns to India.

Provided also that if the term of office of the original director is determined before he so returns to India, any provisions in the Act or in these Articles for his automatic reappointment of any retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

136. Subject to the provisions of Section 161 and 152 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not, at any time exceed the maximum fixed under these Articles, and any such additional Director shall hold office only up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.
137. Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the capital of the Company as his qualification.
138. Subject to the provisions of Sections 161, 152 and 169(7)) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to act as a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director is whose place he is appointed would have held office if it has not been vacated by him.

139.

- (i) Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

- (iii) Subject to the provisions of the Act, a Director who is neither in the whole-time employment nor a managing Director, may be paid remuneration either:



- (a) by way of monthly payment or at a specified percentage of the net profits of the company or partly by one way or partly by another way;
- (b) the sitting fee payable to a Director (including Managing Director or Whole time Director, if any), for attending each meeting of the Board or Committee thereof or for any other purpose whatsoever, shall not be more than the amount prescribed by the Act and Rules made thereunder.

Provided that for Independent Directors and Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors.

140. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting, as above specified; and if any Director by called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

141. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the minimum number fixed by these Articles hereof, the continuing Directors not being less than two, may act for the purpose of increasing the number of directors to the number or for summoning a General Meeting but no other purpose.

142. The office of a Director shall ipso facto be vacated if:

- (i) he incurs any of the disqualifications specified in section 164 of the Act, 2013;
- (ii) he absent himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (iii) he act in contravention of the provisions of Section 184 of the Act, relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (iv) he fails to disclose his interest in any contract or arrangements in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act;
- (v) he becomes disqualified by an order of a court or the tribunal;
- (vi) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months.

Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;

- (vii) he has been removed in pursuance of the provisions of the Act;
- (viii) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary, or associate company, ceases to hold such office or other employment in that company.

143. Company shall not enter into any contract or arrangements with a related party with respect to:

- (i) sale, purchase or supply of any goods or materials
- (ii) selling or otherwise disposing of, or buying property of any kind;
- (iii) leasing of property of any kind;
- (iv) availing or rendering of any services;
- (v) appointment of any agent for purchase or sale of goods, materials, services or property;

- (vi) such related party's appointment to any or place of profit in the company, its subsidiary company or associate company; and
- (vii) underwriting the subscription of any securities or derivatives thereof, of the company.

Provided that no contract or arrangement shall be entered into by the company, in accordance with the provisions of the Section 188 of the Act and Companies (Meetings of Board and its Powers) Rules, 2014, except with the prior approval of the company by a special resolution.

Provided further that no member of the company shall vote on such special resolution, to approve any contract or arrangements which may be entered into by the company, if such member is a related party.

Provided also that nothing in these Articles shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

144. Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a special resolution in the general meeting, and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.
145. Without prejudice to above, it shall be open to the company to proceed against a director or any other employee who had entered into such contract or arrangement in contravention of the provisions of Section 188 of the Act for recovery of any loss sustained by it as a result of such contract or arrangement.
146. Every director shall at the first meeting of the Board of Directors in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after any such change, disclose his concern or interest in any company or companies or bodies corporate, firms or other association of individuals which shall include the shareholding, in such manner as may be prescribed.
147. Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in the provisions of Section 184 of the Act;
- Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.
148. A contract or arrangement entered into by the company without disclosure or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.
149. A General Notice given to the Board by the Directors, to the effect that he is a Director or member of a specified bodies corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relating to any contract or arrangement so made. All such notices shall be kept at the registered office of the company and shall be preserved for a period of eight years from the end of the financial year to which it relates and shall be kept in the custody of the Company secretary or any other person as authorized by the Board.
150. No Director shall as direct to take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the company, if he is in any way, whether directly or indirectly concerned or interested in such contract or arrangement not shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing herein contained shall:
- (i) be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;

- (ii) apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two percent of the paid up share capital in other company.

151. The Company shall keep one or more Registers under Section 189 of the Act, giving separately the particulars of all contracts or arrangements in compliance with the provisions of Section 184 and 188, in such manner and containing such particulars as required by the Act and shall within the time specified in the section, entering the particulars, such register shall be placed before the next meeting of the Board and signed by all the directors present at the meeting.

The Register aforesaid shall also specify, in relation to each director of the company the names of the bodies corporate and firms of which notice has been given by him under these Articles. The Register shall be kept at the registered office of the Company and shall be open for inspection at such office during business hours and extracts may be taken therefrom and copies thereof as may be required by any member of the company, shall be furnished by the company to such extent, in same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

152. A Director may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder, otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197(14) or Section 188 of the Act may be applicable.

153. At every Annual General Meeting of the Company, one third of such of the directors for the time being, as are liable to retire by rotation or if their number is neither three nor a multiple of three, the number nearest to one-third shall retire from office.

154. Subject to Section 152 of the Act, the Directors to retire by rotation under Article 135 at every Annual General Meeting shall be those who have been longest in 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.

155. At the Annual General Meeting at which a director retires under Article 135, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

156. A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the registrar in such manner, within such time and such form as prescribed in the Act, and shall also place the fact of such resignation in the report of Directors laid in the immediately following general meeting by the company. The company shall follow the provisions of Section 168 of the Act.

Provided that a director shall also forward a copy of his resignation alongwith detailed reasons for the resignation, if required under the Act, to the registrar within thirty days of resignation in such manner as prescribed in the Act.

157.

- (i) the vacancy of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.
- (ii) If at the adjourned meeting also, the vacancy of the retiring Director is not so filled up and the meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been reappointed at the adjourned meeting, unless:
  - (a) at that meeting or at the previous meeting the resolution for the re-appointment of such Director has been put to the meeting and lost;
  - (b) the retiring director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
  - (c) he is not qualified or is disqualified for appointment;

- (d) a resolution whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
- (e) the provisions of Section 162 of the Act is applicable to the case.

158.

- (i) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting left at the office of the company a notice in writing under his hand signifying his candidature for the office of Director or as the case may be, the intention of such member to propose him as a candidate for that office.
- (ii) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the company a notice under Section 160 of the Act Signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the Company, the consent in writing to act as a Director if appointed along with the deposit of rupees one lakh.
- (iii) A person other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a director of the Company unless he has within thirty days of his appointment signed and filed with the Register his consent in writing to act as such Director.

159. The Company shall keep at its registered office a register containing the particulars of its directors and key managerial personnel mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

160. Company shall file a return containing particulars and documents as prescribed by the Act, for appointment or changes, if any, of the directors and key managerial personnel of the company, as the case may be, with the Registrar of the Companies within a period of thirty days any such appointment or changes.

#### **REMOVAL OF DIRECTORS**

161.

- (i) The Company may (Subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any Directors before the expiry of his period of office.
- (ii) Special notice as provided by Section 115 of the Act shall be given for 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.
- (iii) On receipt of 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.
- (iv) Where notice has been 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 (not exceeding a reasonable length) and requests its notification to members of the Company, the company shall, unless the representations are received by it too late for it to do so:
  - (a) in the notice of the resolutions given to members of the company, state the fact of the representations having been made, and

- (b) send a copy of the representations to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company),

and if a copy of the representation is not sent as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting,

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 Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter and tribunal may order the company's cost on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

- (v) A vacancy created by the removal of a Director under this Article may, 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.

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.

- (vi) If the vacancy is not filled, it may be filled as a casual vacancy in accordance with the provisions of the Act, in so far as they are applicable

Provided that the Director who was removed from office under these Articles shall not be reappointed as a Director by the Board of Directors.

- (vii) Nothing contained in this Article shall be taken:

- (a) as depriving a person removed under these Articles 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
- (b) as derogating from any power to remove a Director under other provisions of the Act.

## **MANAGING DIRECTOR**

162. The Company shall not appoint or employ at the same time a managing director and a manager.

163. The Company shall appoint or re-appoint any person as its managing director, whole-time director or manager for term not exceeding five years at a time;

Provided that no re-appointment shall be made earlier than one year before the expiry of his term.

164. Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule.

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

165. The Company shall not appoint or employ, or continue the appointment or employment of a person as its managing director, whole-time Director or manager who:

- (i) is below the age of twenty-one years or has attained the age of seventy years:
- (ii) Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

- (iii) is an undischarged insolvent; or has at any time been adjudged as an insolvent;
- (iv) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them;  
or
- (v) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

166. Subject to the provisions of the Act, where an appointment of managing director, whole-time director or manager is not approved by the company at a general meeting, any act done by him before such approval shall not be deemed to be invalid.
167. The Board of Directors may appoint Managing or Whole Time Director, Director or Manager to manage the affairs of the company and/or a secretary or other officers for such remuneration and on such terms and conditions with the sanctions of the Board and or shareholders in General Meeting and also approved by the Central Government. A Managing Director cannot be appointed for a term exceeding five years at a time.
168. Notwithstanding anything contain under section 203 of Companies Act 2013 read with rules framed there under as applicable if any, the Managing Director shall also act as Chairman of the Company, Chairman of the Board Meetings and General Body Meetings of Members of the Company.
169. The Directors may appoint a Vice chairman of the Board of Directors to preside at meetings of the directors at which the chairman not be present and determine the period for which he is hold office.
170. All meeting of the Directors shall be presided over by the chairman if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same or the chairman refuse to preside, the Vice-Chairman, if present, shall preside and if the Vice-Chairman be not present at such time or if the Vice- Chairman refuses to preside or if no Chairman or Vice Chairman has been appointed under the Article and in that case the Directors shall choose one of the Directors then present to preside at the meeting.

#### **PROCEEDINGS OF THE BOARD OF DIRECTORS**

171. The Directors may meet together as a Board for the conduct of business from time to time, and shall so meet at least four times in a year in such manner, that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit.
172. The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as prescribed in the Companies (Meeting of Board and its Powers) Rules, 2014, which are capable of recording and recognizing the participation of the directors and recording and storing the proceedings of such meeting alongwith date and time.
173. The Secretary or any officer of the Company, by order of the Board, shall sent notice in writing of every Board meeting called, to every Director, not less than seven days before the meeting at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means.

Provided that a meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting;

Provided further that in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director, if any.

174. The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed or if any meeting of the Board the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose someone of them to be Chairman of such meeting.
175. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 174 of the Act. If a quorum shall not be present within the Board, the meeting stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.
176. A Meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these articles for the time being vested in or exercisable by the Board.

177. Subject to the provisions of Section 203 and 196 of the Act, questions arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
178. The Board shall exercise the following powers on behalf of the company by means of resolution passed at the meetings of the Board, namely:
- (i) to make calls on shareholders in respect of money unpaid on the shares;
  - (ii) to authorise buy-back of securities under section 68 of the Act;
  - (iii) to issue securities, including debentures, whether in or outside India;
  - (iv) to borrow monies;
  - (v) to invest the funds of the company;
  - (vi) to grant loans or give guarantee or provide security in respect of loans;
  - (vii) to approve financial statements and the Board's Report;
  - (viii) to diversify the business of the company;
  - (ix) to approve amalgamation, merger or reconstruction;
  - (x) to take over a company or acquire a controlling or substantial stake in another company;
  - (xi) any other matter which may be prescribed.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committees of directors, the managing director, the manager or any other principal officer of the company or in case of a branch office of the company, the principal officer of the branch office, the powers specified in clause (iv) to (vi) on such conditions As it may specify.

179. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far the same are applicable thereto, and are not superseded by any regulations made by the Board under these Articles.
180. Save in those case where a resolution is required by Sections 161,179,188,203, and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be a valid and effectual as if it had been passed at a meeting of the Board or committee of the board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the directors, or to all the member of the Committee of the board as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual address in India and has been approved by such of them as are then in India or by majority of them as are entitled to vote on the resolution.
181. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.
182. The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in book kept for that purpose with their pages consecutively numbered.
- (i) Each page of every such book shall be initialed or signed and the last page of the record of proceeding of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
  - (ii) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.

- (iii) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (iv) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings
- (v) The minutes shall also contain:
  - (a) The name of the Directors present at the meeting; and
  - (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.
- (vi) Nothing contained in sub-clauses (i) to (vi) shall deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting;
  - (a) is, or could reasonably be regarded as defamatory of any person;
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

- (vii) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

183. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior to act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall exercise the powers as specified in section 180 of the Act only with the consent of the company by a special resolution in General Meeting, namely:

- (i) to 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 of such undertaking.
- (ii) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation.
- (iii) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate to its paid-up capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business.
- (iv) to remit, or give time for the repayment of, any debt from a director.
- (v) contribute to bona fide charitable and other funds not directly relating to the business of the company or the welfare of its employees, any amount the aggregate of which, in any financial year, exceed five percent of its average net profits for the three immediately preceding financial years.

184. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Directors shall have the following powers, that is to say, power;

- (i) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;



- (ii) to pay any charge to the capital amount of the Company and Commission or interest lawfully payable thereout under the provisions of the Act;
- (iii) subject to Section 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or otherwise acquisition to accept such title as the Directors may believe or may be advised to a reasonably satisfactory;
- (iv) at their discretion and subject to the provisions of the Act to pay for any (property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in case of shares, bonds, debentures, mortgages, or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the company and its uncalled capital or not so charged;
- (v) to secure the fulfillment of any contracts or engagement entered into by the company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the firm being or in such manner as they may think fit;
- (vi) to accept from any members, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- (vii) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes; and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- (viii) 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 to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon;
- (ix) to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (x) to make and give receipts releases, and other discharge for moneys payable to the Company and for the claims and demands of the Company.
- (xi) subject to the provisions of Sections 179 and 185 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;
- (xii) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- (xiii) to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts, and documents and to give the necessary authority for such purpose.
- (xiv) to distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any officer or other persons employed by the Company a commission on the profits of any

- particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- (xv) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason or locality of operation, or of public and general utility or otherwise;
  - (xvi) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation to depreciation fund, or to an Insurance Fund, or as a Reserve Fund, or sinking fund or any special fund to meet contingencies or to repay debentures or Debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving extending and maintaining any of the property of the Company and such for other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital monies of the company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation, fund, in the business of the company or in the purchase or re-payment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper;
  - (xvii) to appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants of permanent temporary or special services, as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit. Also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clause shall be without prejudice to the general powers conferred by this sub-clause;
  - (xviii) to comply with requirements of any local law which in their opinion it shall, in the interests of the Company, be necessary or expedient to comply with;

- (xix) from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards and to fix their remuneration;
- (xx) subject to Section 179 of the Act, from time to time and at any time, to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys, and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annual or vary any such delegation.
- (xxi) at any time and from time to time by power of Attorney under the Seal of the Company, to appoint person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the shareholders, Directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board 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 discretions for the time being vested in them;
- (xxii) subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient;
- (xxiii) from time to time to make vary and repeal by law for the regulation of the business of the Company, its officer and servants.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, SECRETARY or CHIEF FINANCE OFFICER**

185. Subject to the provisions of the Act:

- (i) 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;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

186. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, 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.

## **THE SEAL**

187.

- (i) The Board shall provide a Common Seal for the purpose of the company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and provide for the safe custody of the seal.
- (ii) 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 authorized by it in that behalf, and except in the presence of at least two directors or one director and the secretary or such other person as the Board may appoint for the purpose; and those two directors or one director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **DIVIDENDS AND RESERVES**

188. The company in general meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the company in general meeting may declare a smaller dividend.

189. 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.

190. No dividend shall be declared or paid by the company for any financial year except, Out of the profits of the company for that year arrived at after providing for depreciation in accordance with the provisions of schedule II of the Act, or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that schedule and remaining undistributed, or out of both, provided that;

- (i) The company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:
- (ii) Where owing to inadequacy or absence of profits in any financial year, the company proposes to declare dividend out of the accumulated profits earned by it in previous year and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with Companies (Declaration and Payment of Dividend) Rules, 2014.
- (iii) No dividend shall be declared or paid by the company from its reserves other than free reserves.

191. The Board of Directors of the Company may declare interim dividend during any financial year out the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared.

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

192.

- (i) 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 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.
- (ii) 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.
- (iii) 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.

193. No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due or owing from him to the company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons and the Board may deduct from any dividend or interest 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.

194.

- (i) 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.
- (ii) No dividend shall be paid by the company in respect of any share therein except to the registered shareholder of such share or his order or to his banker and shall not be payable except in cash.

Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or reserves of the company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company.

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

195. 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.

196. 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.

197. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account". 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

There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases. The company shall comply with the provisions the Act in respect of all unclaimed or unpassed dividend.

198. No dividend shall bear interest against the company.

### **CAPITALISATION OF PROFITS**

199.

- (i) The company in general meeting may, upon the recommendation of the Board, resolve:
  - (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
  - (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.
- (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:
  - (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

- (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
- (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;
- (e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

200.

(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- (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
- (b) generally do all acts and things required to give effect thereto.

(i) The Board shall have power:

- (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 in fractions; and
- (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;

(ii) Any agreement made under such authority shall be effective and binding on such members.

## ACCOUNTS

201. The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of Account in accordance with Section 128 the Act.
202. Where the Board decides to keep all or any of the Books of Accounts at any place other than the office of the company the Company shall within (seven days of the decision) file with the Register a notice in writing giving the full address of that other place.
203. The Company may keep the books, accounts or other relevant papers in accordance with Section 128 of the Act, in electronic mode in such manner as prescribed.
204. The Company shall preserve in good order the Books of Accounts relating to the period of not less than eight years immediately preceding the financial year together with the vouchers relevant to any entry in such books of Account.
205. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its office or other place in India, at which the company's Books of Account are kept as aforesaid.

206. The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction; The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.
207. 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
208. No member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorized by the Board or by the company in general meeting.
209. The Directors shall from time to time, in accordance with Sections 129, 133 and 134 of the Act, cause to be laid before the company in General Meeting, such Balance Sheets, profits and loss account and reports as are required by these Sections.
210. A Copy of every Balance Sheet and Profit and loss account (including the Auditors Report and every other document required by law to be annexed or attached to the Balance Sheet) or a Statement containing salient features of such documents in the prescribed form, as laid down under Section 136 of the Companies Act, 2013 as the Company may deem fit, shall not less than twenty-one days before the Meeting at which the Balance Sheet and the profit and loss Account are to be laid before the Members, be sent to every person entitled thereto pursuant to the provisions of the Section 136 of the Companies Act, 2013 provided this Article shall not require a copy of the documents to be sent to any person of whose address the Company is not aware of or to more than one of the joint holders of any shares.

#### **AUDIT**

211. Auditors shall be appointed and their rights and duties regulated in accordance with Section 139 to 145 of the Act.
212. The first Auditor or auditors of the company shall be appointed by the board within one month of the date of registration of the company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first annual general meeting:

Provided that the Company may, at a General Meeting remove and such auditor or all of such auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the meeting,

Provided further that if the Board fails to exercise its powers under this Article, the Company in General meeting may appoint the first Auditor or Auditors.

Provided also that before such appointment is made, the written consent of auditor to such appointment and a certificate from him or it that the appointment if made, shall be in accordance with the conditions as prescribed, shall be obtained from the auditor.

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in section 141 of the Act.

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the registrar within fifteen days of the meeting in which the auditor is appointed.

#### **DOCUMENTS AND NOTICES**

213.

- (i) A document or notice may be served or given by the Company or any member either personally or sending it by post to him to his registered address, if he has no registered address in India, to the address, if any, in India supplied by him to the Company for serving documents of notice on him.

- (ii) Where a documents or notice is sent by post, services of the documents or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice provided that where a member has intimated to the Company in advance that documents or notices should be sent him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be the manner intimated by the member and; such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.
214. A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company any address within India for serving of documents or the sending of notices to him.
215. A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice or on or to the joint-holders named first in the Register of members in respect of the share.
216. A document or notice may be served or given by the Company on or to the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
217. Document or notices of every General Meeting shall be served or given in the same hereinbefore authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor of Auditors for the time being of the Company.
218. Every person whom by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he derives his title to such share.
219. Any document or notice to be served or given by the Company may be signed by a director or some person duly authorized by the Board of directors for such purpose and the signatures thereto may be written printed or lithographed.
220. All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or any officer at the office by post under a certificate of posting or by registered post or by speed post or by courier or by delivering at his office or address, or by such by electronic or other mode

## **RECONSTRUCTION**

221. On any sale of the undertaking of the company the Board or the Liquidators on a winding-up may, if authorized by a Special Resolution accept fully paid or partly paid-up shares, debentures or securities of any other company whether incorporated in India or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realization or vest the same in trustees for them and any special Resolution may provide for the distribution or appropriation of the cash shares or other securities, benefits or property otherwise than in accordance with the strict legal right of the member or contributories of the company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized and waive all rights in relation the course of being wound up, such statutory right (if any) under of the Act as are incapable of being varied excluded by these Articles.



## **WINDING UP**

222. Subject to the provisions of Chapter XX of the Act and rules made thereunder:

- (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.
- (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.
- (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 other securities whereon there is any liability.

## **INDEMNITY AND RESPONSIBILITY**

223. 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.

## **SECRECY**

224. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so declaration pledging himself to observe strict secrecy regarding all customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board as by Court of Law and except so far as be necessary in order to comply with any; of the provisions of these presents constituted.

## **GENERAL AUTHORITY**

225. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## SECTION XIII: 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 our Company or contracts entered into more than two (2) years before the date of filing of the Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 207/B2, 2nd Cross Road, J.C, Industrial Estate Bikasipura Main Road, Off Kanakpura Road, Near Delhi Public School Bangalore, 560078, Karnataka, India, from date of filing the Red Herring Prospectus with RoC to Issue Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

#### A. Material Contracts

1. Issue Agreement dated July 31, 2023 entered between our Company and the Book Running Lead Manager of the Issue.
2. Agreement dated July 31, 2023 executed between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated September 16, 2023 entered between our Company, the Book Running Lead Manager and Underwriter.
4. Market Making Agreement August 25, 2023 entered between our Company, Book Running Lead Manager and Market Maker.
5. Bankers to the Issue Agreement dated September 11, 2023 entered between our Company, the Book Running Lead Manager, Banker to the Issue/ Sponsor Bank and Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and the Registrar dated May 22, 2023.
7. Tripartite agreement among the CDSL, our Company and the Registrar dated May 22, 2023.

#### B. Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board resolution dated July 07, 2023 and special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the AGM by the shareholders of our Company held on July 10, 2023.
3. Copies of Audited Financial Statements of our Company for the Financial Years ended March 31, 2023, 2022, and 2021.
4. Peer Review Auditors Report dated July 17, 2023 on Restated Financial Statements of our Company for the Financial Years ended March 31, 2023, 2022, and 2021.
5. Copy of Statement of Possible Tax Benefits dated July 31, 2023 from the Peer Review Auditor included in this Red Herring Prospectus.
6. Copy of Certificate from the Statutory Auditor dated September 15, 2023 regarding the source and deployment of funds.
7. Copy of Certificate from the Statutory Auditor dated September 15, 2023 regarding the Operational Data Matrices
8. Consents of the Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor holding Peer Review Certificate, Book Running Lead Manager to the Issue, Legal Advisor to the Issue, Advisor to the Company, Bankers to our Company, Banker to the Issue, Registrar to the Issue,

Underwriter and Market Maker to include their names in the Red Herring Prospectus to act in their respective capacities.

9. Due Diligence Certificate from Book Running Lead Manager dated September 16, 2023.
10. IPO Committee Resolution dated August 1, 2023 for approval of Draft Red Herring Prospectus, dated September 16, 2023 for approval of Red Herring Prospectus, and dated [●] for approval of Prospectus.
11. In-principle listing approval dated September 14, 2023 from the National Stock Exchange of India Limited for listing the Equity Shares on the emerge Platform of the National Stock Exchange of India Limited (“**NSE EMERGE**”).

Any of the contracts or documents mentioned in the Red Herring 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 shareholders subject to compliance of the provisions contained in the Companies Act and other relevant.

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, and the SEBI Act, each as amended or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

A handwritten signature in black ink, appearing to read 'Vishesh', is written over a horizontal line.

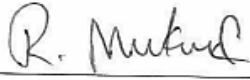
Vishesh Handa  
(Chairman & Managing  
Director)  
DIN: 07842847

Date: September 16, 2023  
Place: Bangalore

#### DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, and the SEBI Act, each as amended or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**



Mukunda Raghavendra  
(Whole-time Director)  
DIN: 10060683

Date: September 16, 2023  
Place: Bangalore

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, and the SEBI Act, each as amended or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

## SIGNED BY THE DIRECTOR OF OUR COMPANY



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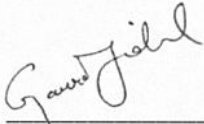
Ankita Handa  
(Non-Executive Director)  
DIN: 08690084

Date: September 16, 2023  
Place: Bangalore

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, and the SEBI Act, each as amended or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

## SIGNED BY THE DIRECTOR OF OUR COMPANY



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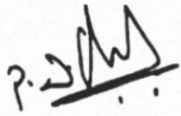
Gaurav Jindal  
(Independent Director)  
DIN: 06892227

Date: September 16, 2023  
Place: Fremont, CA

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, and the SEBI Act, each as amended or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

## SIGNED BY THE DIRECTOR OF OUR COMPANY



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Purav D Shah  
(Independent Director)  
DIN: 05126728

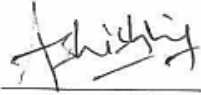
Date: September 16, 2023  
Place: Hyderabad



#### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, and the SEBI Act, each as amended or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

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



Ashish Nirmal  
(Chief Financial Officer)  
PAN: AKOPN5074H

Date: September 16, 2023  
Place: Bangalore