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DRAFT RED HERRING PROSPECTUS

100% Book Built Issue

Dated: September 30, 2024

Please read Section 26 and 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)



SPHINX WORLDBIZ LIMITED

SPHINX WORLDBIZ LIMITED

CIN: U74899DL1996PLC075839

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
G-7, 20, Hari Sadan, Ansari Road, Daryaganj, New Delhi - 110002, Delhi, India.	A-27B, Sector-16, Gautam Buddha Nagar, Noida - 201301, Uttar Pradesh, India.	Aditya Kumar Sethi Company Secretary & Compliance Officer	E-mail: cs@sphinxworldbiz.com Tel No: 0120-4736400	www.sphinxworldbiz.com

Promoters of the Company	Narendra Singh Surana, Sudhanshu Surana & Avishkar Surana
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DETAILS OF THE ISSUE

Type	Fresh Issue Size	OFS Size (by no. of Shares or by amount in ₹)	Total Issue Size	Eligibility
Fresh Issue	up to 55,68,000 Equity Shares aggregating up to ₹ [●] lakhs	Nil	₹ [●] lakhs	This Issue is being made in terms of regulation 229(2) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. 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 85 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 28 of this Draft Red Herring Prospectus.


ISSUER ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 Draft 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 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, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 HEM SECURITIES LIMITED	Ajay Jain	Email: ib@hemsecurities.com Tel. No.: +91- 22- 4906 0000

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 MAASHITLA SECURITIES PRIVATE LIMITED	Mukul Agrawal	Email: ipo@maashitla.com Tel No.: +91-11-45121795-96

BID/ISSUE PERIOD

ANCHOR PORTION ISSUE OPENS/ CLOSES ON*: [●]	BID/ ISSUE OPENS ON: [●]	BID/ ISSUE CLOSES ON**: [●] ***
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*Our Company, in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

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

***The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.



SPHINX WORLDBIZ LIMITED
CIN: U74899DL1996PLC075839

Our Company was originally incorporated as "Sphinx Worldbiz Limited" a Public limited company under the Companies Act, 1956 at Delhi, pursuant to a certificate of incorporation dated January 29, 1996 issued by the Additional Registrar of Companies, National Capital Territory of Delhi & Haryana. We commenced commercial operations pursuant to a Certificate for Commencement of Business dated February 28, 1996 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Our Company's Corporate Identity Number is U74899DL1996PLC075839. For further details of Incorporation, change of name and registered office of our Company, please refer to chapter titled "History and Corporate Structure" beginning on page 133 of this Draft Red Herring Prospectus.

Registered Office: G-7, 20, Hari Sadan, Ansari Road, Darya Ganj, New Delhi, 110002, Delhi, India.

Corporate Office: A-27B, Sector-16, Gautam Buddha Nagar, Noida - 201301, Uttar Pradesh, India.

Tel No: 0120-4736400; **E-mail:** cs@sphinxworldbiz.com; **Website:** www.sphinxworldbiz.com;

Contact Person: Aditya Kumar Sethi, Company Secretary & Compliance Officer

Promoter of our Company: Narendra Singh Surana, Sudhanshu Surana & Avishkar Surana

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 55,68,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF SPHINX WORLDBIZ LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹[●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.35% AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ENGLISH EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND HINDI EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND DELHI EDITION OF [●], REGIONAL NEWSPAPER (HINDI BEING THE REGIONAL LANGUAGE OF DELHI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NSE ("NSE EMERGE ") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

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 one Working Day, 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 Exchanges 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 Managers, 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 251 of this Draft Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 251 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, 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 77 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 28 of this Draft Red Herring Prospectus.

ISSUER ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft 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 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, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated [●] from National Stock Exchange of India Limited ("NSE") for using its name in the Issue Document for listing of our shares on the SME Platform of NSE ("NSE Emerge"). 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

REGISTRAR TO THE ISSUE

 <p>HEM SECURITIES LIMITED Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India. Tel. No.: +91- 22- 49060000; Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Ajay Jain SEBI Registration Number: INM000010981 CIN: U67120RJ1995PLC010390</p>	 <p>Maashitla Securities Private Limited Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, New Delhi, 110034, India Telephone: +91-11-45121795 Email: ipo@maashitla.com Investor Grievance Email: investor.ipo@maashitla.com Website: www.maashitla.com Contact Person: Mukul Agrawal SEBI Registration Number: INR000004370 CIN: U67100DL2010PTC208725 Expiry Date of Reg.: Permanent</p>
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BID/ISSUE PERIOD

ANCHOR PORTION ISSUE OPENS/CLOSES ON*: [●]

BID/ISSUE OPENS ON: [●]**

BID/ISSUE CLOSES ON: [●] *****

*Our Company, in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

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

***The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft 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, rule, guideline, policy, circular, notification, clarification, direction or policies shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarifications, modifications, replacements or reenactments thereto, as amended, from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in of the sections “Statement of Special Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on page 100, 156 and 283 respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

Terms	Description
“SWL”, “the Company”, “our Company”, “Issuer” and “Sphinx Worldbiz Limited”	Sphinx Worldbiz Limited, a public limited Company incorporated under the Companies Act, 1956 and having its Registered office at G-7, 20, Hari Sadan, Ansari Road, Daryaganj, New Delhi - 110002, Delhi, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue

Company related and Conventional terms

Term	Description
AOA/ Articles/ Articles of Association	Articles of Association of our Company, as amended, from time to time
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 as described in the chapter titled “ Our Management ” beginning on page 137 of this Draft Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s. MANV & Associates. (Firm Registration No. (007351N).
Bankers to our Company	Kotak Mahindra Bank Limited
Board of Directors/ the Board/ our Board	The Board of Directors of our Company, including all duly constituted Committees thereof.
Branch - I	Unit No. 5 to 8, Ground Floor, Pride Icon Apartment, S. No. 22/1/A/1A, Office-06, Kharadi Mundwa-Hadapsar Bypass, Kharadi - 411014, Pune, Maharashtra, India.
Branch - II	Shop No. 1, Amar Kunj, Shrinath Nagar, Railway Road, Jwalapur, Haridwar - 249407, Uttarakhand, India.
Branch - III	8th Floor, Magnum Tower-1, Sector-58, Gurugram - 122011, Haryana, India.
Branch - IV	A-28, Sector-16, Noida - 201301, Uttar Pradesh, India.
CFO	The Chief Financial Officer of our Company, Avishkar Surana
CEO	The Chief Executive Officer of our Company, Sudhanshu Surana
Corporate Office	The Corporate Office of our Company situated at A-27B, Sector-16, Gautam Buddha Nagar, Noida - 201301, Uttar Pradesh, India.

Term	Description
CIN	Corporate Identification Number of our Company i.e., U74899DL1996PLC075839.
CSR Committee or Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, constituted in accordance with the Section 135 of the Companies Act and as described in the chapter titled “ Our Management ” beginning on page 137 of this Draft Red Herring Prospectus
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
Director(s) / our directors	The Director(s) of our Company, unless otherwise specified
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository’s Participant’s Identity Number
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of the Company of face value of ₹10/- each unless otherwise specified in the context thereof.
Executive Directors	Executive Directors are the Managing Director & Whole-time Directors of our Company.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
IBC	The Insolvency and Bankruptcy Code 2016
Group Companies	Our group companies identified in accordance with SEBI (ICDR) Regulations and in accordance with our Materiality Policy. For details, see section titled “ Our Group Companies ” on page 223 of this Draft Red Herring Prospectus.
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see “ Our Management ” on page 137 of this Draft Red Herring Prospectus.
ISIN	International Securities Identification Number. In this case being INE0AZP01015.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled “ Our Management ” on page 137 of this Draft Red Herring Prospectus.
LLP	Limited Liability Partnership
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of Sphinx Worldbiz Limited as amended from time to time.
MD or Managing Director	The Managing Director of our Company, Narendra Singh Surana
Materiality Policy	The policy adopted by the Board in its meeting dated July 03, 2024 for identification of (a) material outstanding litigation proceedings involving our Company, Directors and Subsidiaries; (b) Group Companies; and (c) outstanding dues to material creditors by our Company, in accordance with the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
Non-Executive Directors/ Nominee Directors	A Director not being an Executive Director or an Independent Director. For details, see section titled “ Our Management ” on page 137 of this Draft Red Herring Prospectus
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled “ Our Management ” beginning on page 137 of this Draft Red Herring Prospectus
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Promoter(s)	Shall mean promoters of our Company i.e. Narendra Singh Surana, Sudhanshu Surana and Avishkar Surana. For further details, please refer to section titled “ Our Promoter & Promoter Group ” beginning on page 151 of this Draft Red Herring Prospectus.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section

Term	Description
	“Our Promoter and Promoter Group” beginning on page 151 of this Draft Red Herring Prospectus.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office	The Registered Office of our Company situated at G-7, 20, Hari Sadan, Ansari Road, Daryaganj, New Delhi - 110002, Delhi, India.
Reserve Bank of India/ RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information/ Statements	The Restated Financial statements of our Company, comprising of the Restated Statement of Assets and Liabilities as on March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Statements of Profit and Loss and Cash Flows for the fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC/ Registrar of Companies	Unless specified otherwise refers to Registrar of Companies, Delhi, 4th Floor, IFCI Tower 61, Nehru Place, New Delhi 110019, Delhi, India.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions, notifications and clarifications issued by SEBI from time to time.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	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 Takeover Regulations or SEBI (SAST) Regulations/ SEBI Takeover Regulations/ Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (PFUTP) Regulations/ PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled “Our Management” beginning on page 137 of this Draft Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Shareholders	Shareholders of our Company from time to time.

Term	Description
Our Subsidiary Company/ Subsidiaries	The Company does not have any subsidiary as on the date of this Draft Red Herring Prospectus
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA being Narendra Singh Surana, Shrivastav Kumar Anil, Sunil Surana, Pankaj Surana, Bimal Pat Surana, Kishor Nand Gupta and Kamal Pat Surana

Issue Related Terms

Terms	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 document issued by the Designated Intermediary to a bidders 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 bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A successful bidder 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 Red Herring Prospectus and 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 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 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 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. 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 (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 accordance with the SEBI (ICDR) Regulations.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising 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.

Terms	Description
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
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	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 Red Herring Prospectus or the Prospectus.
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Bankers to the Issue/ Public Issue Bank/ 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 [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 251 of this Draft 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. 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	[●] equity shares and in multiples of [●] 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 [●], all editions of Hindi national newspaper [●] and Delhi Edition of Regional newspaper [●] 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 [●], all editions of Hindi national newspaper [●] and Delhi Edition of Regional newspaper [●] 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 Draft 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.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers

Terms	Description
	for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	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 Hem Securities Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker Centres notified by the Stock Exchanges, where the investors can submit the Bid-cum 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 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
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
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 applicant's father/husband, investor status, Occupation and Bank Account details.
Depositor/ 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 i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (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 Bid-cum-Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as applicable, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	[●]

Terms	Description
Designated RTA Locations	Such locations of the RTAs where Bidder can submit the Bid-Cum-Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com .
Designated 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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE Emerge i.e. SME platform of NSE)
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 September 30, 2024 issued in accordance with Sections 26 & 32 of the Companies Act, 2013
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
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 Investors	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, 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
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
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 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)	The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Managers.

Terms	Description
Issue Agreement	The Issue Agreement dated September 19, 2024 between our Company and Book Running Lead Manager, Hem Securities Limited.
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹[●] per Equity share (including share premium of ₹ [●]/- per Equity Share).
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 85 of this Draft Red Herring Prospectus
Issue/ Public Issue/ Issue size/ Initial Public Issue/ Initial Public Offering/ IPO	The Initial Public Issue of upto 55,68,000 Equity shares of ₹ 10/- each at issue price of ₹ [●]/- per Equity share, including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹10 each at an Issue price of ₹ [●] each is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker, [●].
Mutual Fund Portion	5% of the Net QIB Portion, or [●] 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.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share (the “ Issue Price ”), 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 85 of this Draft 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 [●] 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.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.

Terms	Description
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
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 ₹[●] and the maximum price (Cap Price) of ₹[●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
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 Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.
Public Issue Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Issue Account Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Issue Account(s) will be opened
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 [●] 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 BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Offer 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 offered and the size of the Issue including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
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 [●].
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
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 Agreement	The agreement dated September 23, 2024 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.
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.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue, in this case being Maashitla Securities Private Limited.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.

Terms	Description
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	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 (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 [●] Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Offer Closing Date.
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) Regulations/ 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 (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The 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.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	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 Takeover Regulations or 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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
SME Exchange	SME Platform of the National Stock Exchange of India Limited i.e. "NSE Emerge"
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time.
Specified Securities	Equity shares offered through this Draft 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.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.

Terms	Description
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].
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
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
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 number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/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/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the NSE having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022 and the notice issued by BSE having reference no. 20220722- 30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
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
UPI PIN	Password to authenticate UPI transaction
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.
WACA	Weighted average cost of acquisition.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and

Terms	Description
	(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; (c) the time period between the Bid/ 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
AC	Air Conditioning
Abaqus	A software suite for finite element analysis and computer-aided engineering.
ADAMS	A simulation software for analyzing the dynamics of mechanical systems.
A/B Testing	A method of comparing two versions of a webpage or app against each other to determine which one performs better.
AI	Artificial Intelligence
ANSYS	A simulation software used for finite element analysis (FEA), computational fluid dynamics (CFD), and other simulations.
AR	Augmented Reality
AutoCAD	A CAD software used for 2D and 3D design and drafting.
AutoCAD Electrical	A version of AutoCAD specialized for electrical design and schematics.
B2B	Business-to-Business
BI	Business Intelligence
BIW	Body-in-White (also noted as Body in White)
BNSS	Bharatiya Nagarik Suraksha Sanhita, 2023 (formerly known as Code of Criminal Procedure, 1973)
BNS	Bharatiya Nyaya Sanhita, 2023(formerly known as Indian Penal Code, 1860)
BOM	Bill of Materials
CAD	Computer-Aided Design
CAM	Computer-Aided Manufacturing
CAE	Computer-Aided Engineering
CATIA	Computer Aided Three-dimensional Interactive Application
CEE	Computer-Enhanced Engineering facilities for simulation and design
CNC	Computer Numerical Control
CFD	Computational Fluid Dynamics
CI	Competitive Intelligence
Creo	A suite of 3D CAD software developed by PTC (Parametric Technology Corporation)
CRM	Customer Relationship Management
CPG	Consumer Packaged Goods
CX	Customer Experience
DAM	Digital Asset Management
DAAS	Data as a Service
Delmia V5	A software suite used for digital manufacturing, including fixture design and simulation.
EDI	Electronic Data Interchange
ePLAN	Software for electrical design and planning, including control systems and panel design.
ERP	Enterprise Resource Planning
FEA	Finite Element Analysis
FinTech	Financial Technology
FY	Financial Year
IBM	International Business Machines
ISO	International Organization for Standardization
IoT	Internet of Things

Sphinx Worldbiz Limited

IIoT	Industrial Internet of Things
IT	Information Technology
ITES	IT enabled Services
KPIs	Key Performance Indicators
KT	Knowledge Transfer
LTV	Lifetime Value
MarTech	Marketing Technology
MDM	Master Data Management
MeitY	Ministry of Electronics & Information Technology
ML	Machine Learning
NX	Siemens NX (a software suite for CAD, CAM, and CAE by Siemens)
OEM	Original Equipment Manufacturer
QA	Quality Assurance
ROI	Return on Investment
RobCad	A software used for robotic simulation and design.
Rs.	Indian Rupees
RCS	Real Time Controllers
RTOS	Real-Time Operating Systems
SaaS	Software as a Service
SPM	Special Purpose Machines
Solid Edge	A 3D CAD software known for its synchronous technology and modeling capabilities.
SolidWorks	A 3D CAD software used for product design and engineering.
SWOT	Strengths, Weaknesses, Opportunities, Threats
UI/UX	User Interface/User Experience
UATS	User Acceptance Test Support
USA	United States of America
VR	Virtual Reality
XR	Extended Reality
WCM	Web Content Management

Conventional terms and Abbreviations

Abbreviation	Full Form
Rs. / Rupees/ INR/ ₹	Indian Rupees
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt.	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction

Abbreviation	Full Form
BRLM	Book Running Lead Manager
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder.
CA	Chartered Accountant
Client ID	Client identification number of the Bidder's beneficiary account
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
Depositories Act	The Depositories Act, 1996, read with the rules, regulations, clarifications and modifications Thereunder
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EMI	Equated Monthly Installment
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the provisions of FEMA
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment

Abbreviation	Full Form
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FTA	Foreign Trade Agreement
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 1994
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1)(III) of the SEBI (ICDR) Regulations.
FV	Face Value
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
GoI/Government	Government of India
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HSL	Hem Securities Limited
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT Act	The Information Technology Act, 2000
IFRS	International Financial Reporting Standards
INR / ₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
KMP	Key Managerial Personnel
LLB	Bachelor of Law
Ltd.	Limited

Abbreviation	Full Form
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
M. A	Master of Arts
MCA	Ministry of Corporate Affairs, Government of India
M. B. A	Master of Business Administration
MAT	Minimum Alternate Tax
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
MAPIN	Market Participants and Investors Database
NA	Not Applicable
NCLT	National Company Law Tribunal
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
Ph.D.	Doctor of Philosophy
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order
PBT	Profit Before Tax
PLI	Postal Life Insurance

Abbreviation	Full Form
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified Syndicate Banks
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique identification number
U.N.	United Nations
US/United States	United States of America
UAE	United Arab Emirates
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	United States Securities Act of 1933
VAT	Value Added Tax
VCF/ Venture Capital Fund	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)	Company or person categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such and as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (₹)	Represent Outflow

The words and expressions used but not defined in this Draft 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 “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

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

Certain Conventions

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, “the Company”, “our Company”, unless the context otherwise indicates or implies, refers to Sphinx Worldbiz Limited. All references in the Draft Red Herring Prospectus to “India” are to the Republic of India. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our restated financial statements prepared for the financial year ended 31st March 2024, 31st March 2023 and 31st March, 2022 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “**Financial Information of the Company**” beginning on page 156 of this Draft Red Herring Prospectus.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Indian GAAP and other accounting principles, see “**Risk Factors - Significant differences exist between Indian GAAP and other accounting principles, such as Ind AS, IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows.**” on page 28 of this Draft Red Herring Prospectus.

Any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**”, “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Peer Review Auditor, set out in section titled “**Financial Information of the Company**” beginning on page 156 of this Draft Red Herring Prospectus. The company does not have any subsidiary as on date of the Draft Red Herring Prospectus.

Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

For additional definitions used in this Draft Red Herring Prospectus, see the section “**Definitions and Abbreviations**” on page 1 of this Draft Red Herring Prospectus. In the section titled “**Main Provisions of the Articles of Association**”, on page 283 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, PAT Margin, and others, have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to

financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by the accounting standards and may not be comparable to similarly titled measures presented by other companies.

Use of Industry & Market Data

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

Although, we believe industry and market data used in the Draft 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 market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled “**Basis for Issue Price**” on page 94 of the Draft 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.

Currency of Financial Presentation

All references to “Rupees” or “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled “**Industry Overview**” throughout the Draft Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**”, “**Management's Discussion and Analysis of Financial Conditions and Results of Operations**” on page 28, 112 and 137 respectively of this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Draft Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus includes certain “forward-looking statements”. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

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

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Failure to successfully upgrade our product portfolio, from time to time;
3. Our ability to successfully implement our strategy, our growth and expansion, technological changes;
4. Pricing pressure due to intense competition in the market for IT Services;
5. Dependence on third parties to provide us our testing equipments and reagents or recall of existing testing equipment and reagents;
6. Any change in government policies resulting in increases in taxes payable by us;
7. Our ability to retain our key managements persons and other employees;
8. Changes in laws and regulations that apply to the industries in which we operate.
9. Failure or malfunction of our equipment;
10. Our failure to keep pace with rapid changes in technology;
11. Our ability to grow our business;
12. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
13. General economic, political and other risks that are out of our control;
14. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
15. Company’s ability to successfully implement its growth strategy and expansion plans;
16. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
17. Inability to successfully obtain registrations in a timely manner or at all;
18. Occurrence of Environmental Problems & Uninsured Losses;
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. Any adverse outcome in the legal proceedings in which we are involved;
21. Concentration of ownership among our Promoter;
22. The performance of the financial markets in India and globally;
23. Global distress due to pandemic, war or by any other reason.

For further discussion of factors that could cause our actual results to differ, see the Section titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 28, 112 and 206 respectively of the Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company or our Directors or our Officers or Book Running Lead Manager or Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In

accordance with SEBI requirements, our Company and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II – SUMMARY OF DRAFT RED HERRING PROSPECTUS

A. OVERVIEW OF BUSINESS

We provide manufacturing engineering solutions, along with product designing, software development and embedded engineering services tailored for various industries such as Automotive Industry, White Goods industry, IT Industry, Manufacturing Industry etc. Our manufacturing engineering solutions comprise of BIW (Body in white) fixture designing & robotic simulation, designing of special purpose machineries, BIW die designing and control electrical engineering services. Under product designing, we provide both Onsite & offsite Product designing services to our customers along with designing of prototypes through our production vendor. We use modern technologies, skilled teams and proprietary software to optimize processes, ensuring consistent quality services for our customers. We have accreditations such as ISO 9001:2015 for the scope of design, engineering services and software services with support functions, for various industries.

For further details, please refer to the chapter titled “*Our Business*” beginning on page 112 of this Draft Red Herring Prospectus.

B. OVERVIEW OF THE INDUSTRY

India has become one of the most preferred locations for engineering offshoring. Companies across multiple sectors (such as IT, consumer electronics, personal devices, medical electronics, telecom and automobiles) are now offshoring complete product responsibility. Engineering R&D products and services are growing at a fast rate in the technology sector in India. The engineering R&D and product development market in India is forecast to post a CAGR of ~12% to reach US\$ 63 billion by 2025 from US\$ 31 billion in 2019. Newer capabilities such as supply chain, regulatory compliances and manufacturing engineering are being developed by engineering R&D service providers.

For further details, please refer to the chapter titled “*Industry Overview*” beginning on page 104 of this Draft Red Herring Prospectus.

C. OUR PROMOTERS

The Promoters of our Company are Narendra Singh Surana, Sudhanshu Surana and Avishkar Surana.

D. DETAILS OF THE ISSUE

This is an Initial Public Issue of upto 55,68,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. [●] lakhs (“**The Issue**”), out of which [●] Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] per Equity Share aggregating up to Rs. [●] lakhs will be reserved for subscription by the market maker to the issue (the “**Market Maker Reservation Portion**”). The Issue less Market Maker Reservation Portion i.e. Issue of [●] Equity Shares of face value of Rs. 10 each, at an issue price of Rs. [●] per Equity Share for cash, aggregating to Rs. [●] lakhs is hereinafter referred to as the “**Net Issue**”. The Public Issue and Net Issue will constitute 26.35% and [●] % respectively of the post- issue paid-up Equity Share capital of our Company.

E. OBJECTS OF THE ISSUE

Our Company intends to utilize the net Proceeds of the Issue to meet the following objects: -

Sr No	Particulars	Amount (₹ in Lakhs)
1.	Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit	2160.90
2.	To meet Working Capital requirements	[●]
3.	General Corporate Purpose	[●]
	Total	[●]

F. PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group collectively holds 1,55,53,320 Equity shares of our Company aggregating to 99.93% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Draft Red Herring Prospectus: -

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoters				
1.	Narendra Singh Surana	92,85,864	59.67	92,85,864	[●]
2.	Sudhansu Surana	30,95,288	19.89	30,95,288	[●]
3.	Avishkar Surana	30,95,288	19.89	30,95,288	[●]
	Sub Total (A)	1,54,76,440	99.44	1,54,76,440	[●]
	Promoters Group				
4.	Narendra Singh Surana HUF	76,880	0.49	76,880	[●]
	Sub Total (B)	76,880	0.49	76,880	[●]
	Grand Total (A+B)	1,55,53,320	99.93	1,55,53,320	[●]

G. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022: -

Sr No.	Particulars	Amt. (Rs. in lakhs)		
		As at and for the financial year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
1.	Equity Share Capital	50.20	50.20	50.20
2.	Net Worth	2814.73	2082.71	1443.27
3.	Total Income	8541.80	7784.86	5131.12
4.	Profit/(loss) after tax	733.10	639.44	304.79
5.	Earnings per Share (based on weighted average number of shares)	4.71	4.11	1.96
6.	Net Asset Value per Share (Based on Weighted Average Number of Shares)	18.09	13.38	9.27
7.	Total Borrowings (including current maturities of long-term borrowings)	1080.38	698.91	886.80

H. AUDITOR QUALIFICATIONS

There are no audit qualifications which have not been given effect in the Restated Financial Statements.

I. SUMMARY OF OUTSTANDING LITIGATIONS

Except as mentioned below, as on the date of Draft Red Herring Prospectus our Company is not involved in any legal proceedings.

Litigations filed by our Company: -

Nature of Cases	No. of Outstanding Cases	(Rs. in lakhs)
		Amount
Criminal Proceeding	1	14.62
Total	1	14.62

Litigations against the Company: -**(Rs. in lakhs)**

Nature of Cases	No. of Outstanding Cases	Amount
Criminal Proceeding	1	Unascertainable
Direct Tax (Income Tax)- TDS Outstanding Demand	10	5.64
Direct Tax (Income Tax e proceeding)	1	Unascertainable
Indirect Tax	5	7.30
Others	2	17.27
Total	19	30.21

Litigations against the Promoters and Directors of the company:**(Rs. in lakhs)**

Nature of Cases	No. of Outstanding Cases	Amount
Sudhanshu Surana		
Direct Tax (Income Tax) Outstanding Demand	01	0.46
Indirect Tax	-	-
Pratechi Agarwal		
Direct Tax (Income Tax e proceeding)	01	Unascertainable
Indirect Tax	-	-
Total	01	0.46

Litigations filed by our Group Company: -

Nature of Cases	No. of Outstanding Cases	Amount
Other Proceeding	1	-*
Total	1	-*

*The Claim Has Been Settled And Amount Is To Be Paid In Seven Monthly Installments.

For further details, please refer to the chapter titled “**Outstanding Litigations and Material Developments**” on page 215 of this Draft Red Herring Prospectus.

J. RISK FACTORS

For details on the risks involved in our business, please see the Chapter titled “**Risk Factors**” beginning on page 28 of this Draft Red Herring Prospectus.

K. SUMMARY OF CONTINGENT LIABILITIES**(Rs. in lakhs)**

Particulars	As at		
	March 31, 2024	March 31, 2023	March 31, 2022
Contingent liabilities in respect of:			
GST Demand as per GST portal	7.30	-	-
Pending litigations against company (apart from interest amount)	17.24	-	-
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	5.64	-	-
Guarantees given on Behalf of the Company	6.07	6.07	
Total	36.24	6.07	-

For further details, please refer to *Annexure-Y - Contingent Liabilities* of the chapter titled “**Financial Information of the Company**” on page 191 of this Draft Red Herring Prospectus.

L. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022: -

List of Related Parties as per AS – 18

Particulars	Names of related parties	Nature of Relationship
Directors and Key Managerial Personnel (KMP)	Narendra Singh Surana	Managing Director and Chairman
	Sudhanshu Surana	Whole time Director and CEO
	Avishkar Surana	Whole time Director and CFO
	Ajay Jain	Whole time Director
	Prateechi Agarwal	Non-Executive Director (w.e.f. 04-05-2024)
	Vivek Kumar	Independent Director (w.e.f. 04-05-2024)
	Ved Prakash Yajurvedi	Independent Director (w.e.f. 04-05-2024)
	Deepak Jain	Independent Director (w.e.f. 04-05-2024)
Relatives of Key Managerial Personnel	Pushpa Devi Surana	Wife of Managing Director and Chairman Narendra Singh Surana
	Aarti Jain	Wife of Whole time Director Ajay Jain
Enterprises in which Directors & Key Management Personnel (KMP) are Interested	Sphinx Worldbiz GmbH Germany (Formerly known as SPHINX WORLDBIZ UG (haftungsbeschränkt))	Avishkar Surana hold interest
	Sphinx Design and Engineering Services Private Limited	Ajay Jain, Sudhanshu & Narendra Singh Surana hold interest
	New Villa Properties & Finance Pvt Ltd	Sudhanshu & Narendra Singh Surana hold interest
	Shrmpro Private Limited	Sudhanshu & Avishkar Surana hold interest

(Amount in Rs. Lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
(i) Transactions with Director and KMP			
A) Remuneration/Professional fees			
Ajay Jain	11.88	11.88	11.07
Narendra Singh Surana	51.00	44.25	24.00
Sudhanshu Surana	42.00	37.50	31.10
Deepak Jain	42.00	38.35	20.56
B) Interest on Loan			
Narendra Singh Surana	1.21	-	-
(ii) Transactions with Relatives of Key Managerial Personnel			
A) Remuneration/Professional fees			
Aarti Jain	8.64	7.88	7.38
Pushpa Devi Surana	14.40	11.70	10.80
(iii) Transactions with Entities where Director/ KMP or their Relatives hold substantial Interest			
Sphinx Worldbiz GmbH Germany (Formerly known as Sphinx Worldbiz UG (haftungsbeschränkt))			
Sales of Goods by the Company	810.04	562.01	93.04
Purchase of Goods by the Company	-	12.80	35.60
Shrmpro Private Limited			
Sales of Goods by the Company	16.52	-	-
Purchase of Goods by the Company	5.32	-	-
(iv) Balance outstanding as at the end of the year			
Remuneration/Professional fee Payable [Cr/(Dr)]			

Sphinx Worldbiz Limited

Ajay Jain	0.94	0.94	0.93
Narendra Singh Surana	38.64	1.90	1.48
Sudhanshu Surana	1.32	1.93	0.19
Avishkar Surana	2.49	2.46	1.62
Pushpa Devi Surana	0.99	0.92	0.80
Aarti Jain	0.72	0.72	0.59
Trade Receivables/(Trade Payables)			
Sphinx Worldbiz GmbH Germany (Formerly known as SPHINX WORLD BIZ UG (haftungsbeschränkt))	821.04	323.55	58.04
Shrmpro Private Limited	13.05	-	-
Borrowings [Cr/(Dr)]			
Narendra Singh Surana	38.64	1.90	1.48
Sudhanshu Surana	1.32	1.93	0.19
Avishkar Surana	0.49	-	-

Note:

1. List of Related parties has been identified by the management and relied upon by the Auditor.
2. In case there is no transaction with any of the above related parties, only name of such related parties has been disclosed as required by AS- 18.

For further details, please refer to the “*Annexure-Z– Related Party Disclosures*” of chapter titled “*Financial Information of the Company*” on page 191 of this Draft Red Herring Prospectus.

M. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

N. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR

Weighted average price at which the Equity Shares were acquired by our Promoters in last one year preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Promoters	No. of Shares held*	Weighted Average Price (in ₹)
1.	Narendra Singh Surana	89,86,320	NIL
2.	Sudhansu Surana	29,95,440	NIL
3.	Avishkar Surana	29,95,440	NIL

* Pursuant to allotment of Bonus Issue in the ratio of 30:1 vide Board Resolution dated August 27, 2024.

O. AVERAGE COST OF ACQUISITION OF SHARES FOR PROMOTERS

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Narendra Singh Surana	92,85,864	2.23
2.	Sudhansu Surana	30,95,288	0.33
3.	Avishkar Surana	30,95,288	0.21

P. PRE IPO-PLACEMENT

Our Company is not considering any pre-IPO placement of equity shares of the Company.

Q. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

Except as set out below, we have not issued Equity Shares for consideration other than cash in the last one year.

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottee	No. of Shares Allotted
August 27, 2024	1,50,61,200	10	-	Bonus Issue in the ratio of 30:1	Capitalization of Reserves & Surplus	Narendra Singh Surana	89,86,320
						Shrivastav Kumar Anil	300
						Pankaj Surana	300
						Kishor Nand Gupta	300
						Narendra Singh Surana HUF	74,400
						Sarita Electronics Pvt Ltd	8,700
						Sudhansu Surana	29,95,440
						Avishkar Surana	29,95,440
						Total	1,50,61,200

R. SPLIT/ CONSOLIDATION OF EQUITY SHARES

Our company has not done any split/consolidation/ subdivision of equity shares of the Company since incorporation.

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

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

SECTION III: RISK FACTORS

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Red Herring Prospectus, particularly the “**Financial Information of the Company**” and the related Annexures, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 156, 112 and 206 respectively of this Draft Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

The risk factors set forth below are not exhaustive and 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, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

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

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

Note:

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “**Risk Factors**” on page 28 and “**Management Discussion and Analysis of Financial Condition and Results of Operations**” on page 206 of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “**Restated Financial Statements**”.*

INTERNAL RISK FACTORS

- 1. Exchange rate fluctuations may adversely affect our results of operations as significant portion of our revenues and expenditure is denominated in foreign currencies.*

We are exposed to foreign exchange related risks as a significant portion of our revenue from operations are in foreign currency, including US Dollar & Euro. For the Fiscal year ending 2024, 2023 and 2022, revenue from operations from outside India

represented 45.75%, 51.62% and 49.37% respectively, of our total revenue from operations in such periods. Because of our foreign currency exposures, exchange rate fluctuations can have a material impact on our results of operations, cash flows and financial condition. The exchange rate between the Indian Rupee and foreign currencies has been volatile in recent periods and may continue to fluctuate in the future. For the Fiscal year ending 2024, 2023 and 2022 Foreign Exchange Gain amounted to Rs. 583.88 Lakhs, Rs. 243.36 Lakhs and Rs. 151.90 Lakhs respectively.

Fluctuations in the exchange rates may affect us to the extent of our sales. Our Company may enter into certain contracts to hedge exchange rate fluctuations which may or may not adequately cover the potential loss that may arise as a result of such foreign exchange transactions. Moreover, these hedges do not cover all such exposures and are in any event subject to their own risks, including counterparty credit risk. Adverse moves in exchange rates that we have not adequately hedged may impact our profitability and financial condition.

For example, during times of strengthening of the Indian Rupee, we expect that our revenue from offerings overseas will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Accordingly, any appreciation or depreciation of the Indian Rupee against these currencies can impact our results of operations. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards.

Our ability to foresee future foreign currency fluctuations is limited and due to the time gap between the accounting of sales and actual receipts, the foreign exchange rate at which the sale is recorded in the books of accounts may vary with the foreign exchange rate at which the receipt is made, thereby benefiting or affecting us negatively, depending on the appreciation or depreciation of the Rupee. We may, therefore, be exposed to risks arising from exchange rate fluctuations and we may not be able to pass on all losses on account of foreign currency fluctuations to our customers, and as a result, suffer losses on account of foreign currency fluctuations. There is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline. We may experience foreign exchange losses and gains in respect of transactions denominated in foreign currencies.

For further details, kindly refer section titled “*Financial Information of the Company*” beginning on Page 156 of this Draft Red Herring Prospectus.

2. *Our business is dependent on the sale of our services to certain key customers. The loss of any of these customers or loss of revenue from sales to these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.*

We are dependent on certain key customers, for sale of our products. For instance, our top ten customers for the financial year ended March 31, 2024, 2023 and 2022, accounted for 48.90%, 41.50% and 40.86% of our revenue from operations for the said period. Our reliance on a selected group of customers for our business exposes us to risks, that may include, but are not limited to, reductions, delays or cancellation of orders from our customers, failure to negotiate favourable terms or the loss of these customers, all of which could affect financial position and future prospects of our Company. Further, we have not entered into any definitive agreements with our customers and the success of our business is dependent on maintaining good relationship with them. There is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. The deterioration of the financial position or business prospects of these customers could reduce their requirement of our products and result in a decrease in the revenues we derive from these customers. In addition, we are exposed to payment delays and/or defaults by our major customers and our financial position and financial performance are dependent on the creditworthiness of our customers. There is no guarantee that all or any of our customers will honour their outstanding amounts in time and whether they will be able to fulfil their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur from all or any of our major customer, our financial performance and our operating cash flows may be affected.

3. *The industry where our Company operates is a highly skilled and technical employee intensive industry and our success depends largely upon its skilled professionals and its ability to attract and retain these personnel.*

We provide manufacturing engineering solutions, alongwith product designing, software development and embedded engineering services tailored for various industries and, thus, our Company's ability to execute projects and to obtain new customers depends largely on its ability to attract, train, motivate and retain highly skilled professionals for providing such designing, development and engineering solutions. The attrition rates in the industry in which we operate have been high due to a highly competitive skilled labour market in India. We invest in training human resources that we hire to perform the services we provide. These professionals are often targeted by the lateral recruitment efforts of our competitors. The performance of our Company will be benefited on the continued service of these persons or replacement of equally competent persons from the domestic or global markets. We may have difficulty in redeploying and retraining our employees to keep pace with continuing changes in technology, evolving standards and changing customer.

We have a team of more than 600 employees in designing and development to ensure compliance and quality standards laid down by the customers. We incur various employee benefits expense, including salaries and bonus, contribution to provident and other funds and staff welfare expenses and for the F.Y. ended March 31, 2024, March 31, 2023 and March 31, 2022 our employee benefits expense accounted to Rs. 5007.13 Lakhs, Rs. 4240.88 Lakhs and Rs. 2871.49 Lakhs, respectively, representing for 66.85 %, 61.54 % and 60.96 %, respectively, of our total expense for the respective year. For further details, kindly refer section titled "**Financial Information of the Company**" beginning on Page 156 of this Draft Red Herring Prospectus.

There is intense competition for experienced skilled professionals with technical and industry expertise in our business and if we lose the services of any of these or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. The loss of members of our team, particularly to competitors, could have a material adverse effect on our business and results of operations. For further details for employees of our Company, kindly refer section titled "**Our Business**" beginning on Page 112 of this Draft Red Herring Prospectus.

4. *We derive a significant portion of our revenue from our Product Design Division. Any decline in the sales from our key division could have an adverse effect on our business, results of operations and financial condition.*

We generate a significant portion of our revenue from our Product Design Division i.e. Onsite Product Designing, Offsite Product Designing and Prototype Development which contributed to 62.16% of our total revenue in Fiscal 2024 amounting to Rs. 4919.47 lakhs, 61.35% of our total revenue in Fiscal 2023 amounting to Rs. 4587.53 lakhs and 64.83 % of our total revenue in fiscal 2022 amounting to Rs. 3223.30 lakhs. Even though we have diversified our service portfolio towards other services like BIW Fixture Design and Robotic Simulation, Software Design & Development, BIW Die Design, etc., any decline in the sales from Product Design Division on account of any reason including increased competition, pricing pressures or fluctuations in the demand for or supply of such services may adversely affect our business, results of operations and financial condition. We cannot assure you that we will be able to maintain the same levels of sales from Product Design Division in the future. Any inability on our end to anticipate and adapt to technological changes or evolving consumer preferences and/or any decrease in the demand for such services may adversely impact our business prospects and financial performance.

For details related to total revenue from operations from various types of services, kindly refer section titled "**Our Business – Revenue Bifurcation**" beginning on Page 112 of this Draft Red Herring Prospectus.

5. *We depend on third-party vendors for providing prototype designing and development solutions to our customers. Volatility in the supply and pricing of these services may have an adverse effect on our business, financial condition, and results of operations. Also, our lack of in-house manufacturing experience may limit our ability to control quality and timelines, further impacting customer satisfaction and overall project success.*

We provide services of prototype development to our customers for which we depend upon third party production vendors who are developing such prototypes on our behalf as per our design & specifications. The amount spent on such procurement from top three production vendors, as a percentage of our total purchases, was 92.10% in Fiscal 2024, 94.93% in Fiscal 2023 and 95.14% in Fiscal 2022. Prototype designing alone contributed to 19.86%, 23.56% and 29.53% of our total revenue from operations in FY 2024, 2023 & 2024 respectively and if our production vendors not able to develop such prototypes on time or are not able to make the delivery at all and we are unable to find an alternative production vendor on a short notice, our

obligations towards our customers for timely completion of the project will be adversely affected, which may in turn affect our profitability and business operations. Even though there is through quality check by our Quality department for the work done by our production vendor, yet, if the vendors default on their obligations and work specifications, we may not be able to perform our services for our customers in accordance with time-lines or specifications pre-agreed with the customer.

Although, as a part of our business strategy, we intend to utilize a part of the Net Proceeds amounting to Rs. 2160.90 Lakhs towards setting up of a new manufacturing unit where prototype development will be done in-house, till then, we are dependent of third-party production vendors and any default, non-performance or negligent act by our production vendors may result in delay on our obligations with our customers. Also, we are stepping into manufacturing segment for the first time, thus, lack experience in in-house manufacturing segment and may face operational inefficiencies in carrying out the production process, which may lead to delays or defects in providing our development services and hence our financial performance and operating cash flows may be affected.

For further details, kindly refer section titled “**Financial Information of the Company**”, “**Our Business**” and “**Object of the Issue**” beginning on Page 156, 112 and 85 of this Draft Red Herring Prospectus.

6. *If there are delays in setting up the Proposed manufacturing unit or if the costs of setting up and the possible time or cost overruns related to the Proposed manufacturing unit or the purchase of plant and machinery for the Proposed manufacturing unit are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.*

To expand our business operations, we are currently in the process of setting up a new manufacturing unit in Noida, Uttar Pradesh, where in house prototype development will be started, which is to be funded from net issue proceeds of Rs.2160.90 Lakhs. Recently, company had entered into Memorandum of Undertaking dated August 14, 2024, with Jemco Engineering Private Limited, for the purpose of taking said manufacturing unit on rent, which measures 5000 sq. feet. and will be used for Prototype Development. Such Memorandum of Undertaking will be effective from December 01, 2024 for the period of 11 Months. The proposed manufacturing unit is envisaged to be set up at A-41, Sector-8, Gautam Buddha Nagar, Noida -201301, Uttar Pradesh, India. For further details, please refer to chapter titled “**Objects of the Issue**” beginning on page 85 of this Draft Red Herring Prospectus.

The completion of the setting up of the Proposed manufacturing unit is dependent on our ability to arrange finance through Net Proceeds or otherwise, the performance of external agencies which are responsible for inter alia construction of buildings, installation and commissioning of plant and machinery. We cannot assure you that we will be able to arrange for such finance on time. Our expansion plans remain subject to the potential problems and uncertainties that construction projects face including cost overruns or delays, labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing unit, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, environment and ecology costs and other external factors which may not be within the control of our management.

There can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. Further, we cannot assure you that the performance of external agencies will meet the required specifications or performance parameters. We may not be able to identify suitable replacement external agencies in a timely manner. If the performance of these agencies is inadequate in terms of the requirements, this may result in incremental cost and time overruns.

The estimated costs for setting up the Proposed manufacturing unit are based on the certificate dated September 28, 2024 given by Alok Kumar Gupta, Chartered Engineers, and are based on management’s estimates and current conditions which are subject to change, owing to prospective changes in external circumstances, costs and other financial conditions.

Our return on our investment depends upon, among other things, successful implementation of our strategy, competition, demand of our products, government policies, interest rates and general economic conditions. If our return on investment does not meet our or market expectations, this could materially and adversely affect our business, cash flows, results of operations and financial condition.

7. ***Our Company is yet to place orders for the machineries to be installed in the proposed manufacturing unit. Any delay in placing orders or procurement of such machinery may delay the schedule of implementation and possibly increase the cost of commencing operations.***

Our Company has received third party quotations for the machineries proposed to be installed at our proposed Manufacturing unit to be established in Noida, Uttar-Pradesh. Although, we have identified the type of machineries proposed to be purchased from the Net Proceeds, we are yet to place orders for the proposed machineries. The cost of the proposed purchase of machineries is based on the quotations received from third party vendors and contractors and such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. For details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 85 of this Draft Red Herring Prospectus.

We cannot assure that we will be able to procure the machineries in a timely manner and at the same price at which the quotations have been received. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the Machinery or in the event the vendors are not able to provide the machinery in a timely manner, or at all, we may encounter time and cost overruns in expanding the capacity of the Manufacturing unit. Further, if we are unable to procure machinery from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the machinery which satisfy our requirements at acceptable prices. Our inability to procure the machinery at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

8. ***There have been certain instances of non-compliances/ discrepancies, including with respect to certain secretarial/regulatory filings for corporate actions taken by our Company in the past. Such non-compliance may attract penalties against our Company which could impact the financial position of us to that extent.***

We manage regulatory compliance by monitoring and evaluating our internal controls to ensure adherence to all relevant statutory and regulatory requirements. However, we cannot guarantee that deficiencies in our filings will not arise in the future or that we will be able to effectively implement or maintain adequate measures to rectify or mitigate any deficiencies in our internal controls. Several discrepancies have been noted in our corporate records related to e-forms filed with the Registrar of Companies. These include the non-filing of Form 25C for the reappointment of the whole-time director, which is a non-compliance with Section 269 of the Companies Act, 1956; Form 20B for FY 2013-14, which is a non-compliance with Section 159 of the Companies Act, 1956; and MGT-14 for the approval of financial statements and the board's report for the years 2014-15 and 2015-16. There was also a non-filing of Form CHG-1 for the creation of a charge on certain vehicle loans taken in the past, which is a non-compliance with Section 77 of the Companies Act, 2013. Also, the Cash Flow Statements were not attached in the Form AOC-4 filed by the Company for FY 2014-15 to FY 2022-23. There was also a delay in the reappointment of Key Managerial Personnel (KMP), which is a violation of Section 203 of the Companies Act, 2013. Furthermore, the Company failed to spend the required 2% on CSR activities in FY 2022-23, in violation of Section 135 of the Companies Act, 2013, which has now been paid.

Although, no show cause notice in respect of the non-compliance has been received by the Company till date, any penalty imposed for such non-compliance in future by the any regulatory authority could affect our financial conditions to that extent. In case of any action being taken by the regulatory authorities against the Company and/or its officers, the same may have an adverse effect on our business.

Moreover, our Company was incorporated in 1996, and certain documents filed with the Registrar of Companies (RoC) are not traceable. These include forms for certain past allotments of equity shares (Form 2), the Annual Return (Form 20B), and the Balance Sheet and Profit & Loss Statement (Forms 23AC and 23ACA) for FY 2001-02, share transfer forms, Form 23ACA, Form 23B etc. We have engaged an independent practicing company secretary to conduct online search at the MCA Portal maintained by the Ministry of Corporate Affairs and physical search at RoC. Accordingly the information in relation to the allotments and share transfers have been disclosed in the section “*Capital Structure*” beginning on page 70 of this Draft Red Herring Prospectus, based on annual reports of our Company, annual returns, statutory minutes, register of member and share transfer register of our Company, as available and based upon the allotment details provided in the search report prepared and certified by M/s. Harvinder Singh & Associates, Independent Practicing Company Secretary, vide its certificate dated September 25, 2024. While we have conducted a search with RoC, in respect of the availability of certain forms and other records, we cannot assure you that these forms or records will be available at all or any time in the future. The relevant

information was not available in the records maintained by our Company, at the MCA Portal maintained by the Ministry of Corporate Affairs and the RoC. We may not be able to furnish any further information, other than what is already disclosed in “**Capital Structure**” on page 70, or assure that the other records will be available in the future.

Our company incorporated a subsidiary in Michigan, USA, on January 1, 2020. However, we failed to notify the RBI of this through the compliance requirements under FEMA regulations. The subsidiary has dissolved, as indicated by the certificate of dissolution dated August 23, 2024. We cannot assure you that we will not be subject to any other legal proceedings or regulatory actions, including monetary penalties by statutory authorities, on account of any inadvertent discrepancies in our FEMA filings and/or corporate records in the future, which may adversely affect our business, financial condition, and reputation.

Further, in the past, our Company has made some clerical mistakes in documents and form filed in registrar of Companies, for instance, there were some errors in the form filed with RoC and errors in some of the documents attached thereto. Further, our Company has not complied with certain Accounting Standards, however the same have been duly complied by the company in the restated financial statements. For details regarding impact of such non-compliance on the financials, please refer to section titled “**Financial information of the company**” beginning on page 156 of this Draft Red Herring Prospectus. As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

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

The restated financial statements of our Company for the financial years ended March 31 2024, 2023 and 2022 has been provided by a peer reviewed chartered accountant who is not the statutory auditor of our Company. However, our statutory auditor holds a valid peer reviewed certificate but due to his preoccupation the restated financial statements has been provided by the said peer reviewed chartered accountant.

10. *We do not own our registered office and some of our branches from where we carry out our business activities.*

Our registered office and some of our branches from which we carry out our business activities, are being taken by us on rent. In the event of termination/non-renewal of said agreements, we may be required to vacate the said premises which may cause disruption in our business and impede our effective operations which could temporarily impact on our business operations until we get suitable alternative premises. For details on the duration of existing rent/lease agreements for our premises, please refer to the section titled “**Our Business**” beginning on page 112 of this Draft Red Herring Prospectus.

There can be no assurance that we will, in the future, be able to renew the agreements for the existing locations on same or similar terms, or will be able to find alternate locations for the offices on similar terms favorable to us, or at all. We may also fail to negotiate the renewal of our rent agreements for our premises, either on commercially acceptable terms or at all, which could result in increased rental rates for subsequent renewals or searching of new premises, affecting our financial condition and operations. In the event that the rent agreement is terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our business operations which could materially and adversely affect our financial condition and results of operations.

11. *Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and the industries on which we focus.*

We provide manufacturing engineering solutions, alongwith product designing, software development and embedded engineering services tailored for various industries. Such Information Technology market is characterized by rapid technological changes, evolving industry standards, changing customer preferences, and new service introductions that could result in technology obsolescence. Our future success will depend on our ability to anticipate these advances, enhance our existing offerings or develop new service offerings to meet customer needs, in each case, in a timely manner. We may not be successful in anticipating or responding to these advances on a timely basis, or at all. If we do respond, the services or technologies we develop may not be successful in the marketplace. We may also be unsuccessful in stimulating customer demand for new and upgraded services, or seamlessly managing new service introductions or transitions. Our failure to address the demands of the rapidly evolving IT environment, particularly with respect to emerging technologies, and technological

obsolescence, could have a material adverse effect on our business, results of operations and financial condition. In addition, our success also depends on our ability to proactively manage our portfolio of technology alliances.

Additionally, during the regular course of operating our business, we may adjust our future plans as a result of our research, experience, technology evolution and market demand. Accepting unforeseen business opportunities may also result in a business model change. We cannot guarantee that any adjustment in our future plans will become successful or be more successful than our current business model. A shift in our plans may result in the use of other technologies. Other technologies may in the future prove to be more efficient and/or economical to us than our current technologies. We cannot guarantee that any change in technology will become successful or be more successful than our current technology.

12. We use third party software and hardware for our business and lack of support or enhancement of such software and availability of requisite hardware could adversely affect our business and operations.

We currently depend on third-party software and hardware. If such software & hardware products were to become unavailable for any reason, we might experience delays or increased costs in the development and delivery of our software products and services. For our business activities, we typically rely on software that we license from third parties and hardware which we take on lease from third party to perform key functions. These third-party software licenses and hardware may not continue to be available to us on commercially reasonable terms or at all. The loss of the license to use, or the inability by licensors to support, maintain, or enhance any of such software or non-availability of required hardware, could result in increased costs, lost revenues or delays until equivalent software or hardware is internally developed or licensed or taken from another third party. There can be no assurance that we will be successful in procuring the hardware on lease or licensing the software from third parties on commercially acceptable terms in a timely manner. Such increased costs, lost revenues or delays could adversely affect our business and operations.

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

Our business is subject to loss due to theft or occurrence of any unforeseen event such as fire, earthquake, other natural calamities, terrorism and force majeure events. We maintain insurances for the same which include Digit My Property Insurance policy from Go Digit, which provide appropriate coverage in relation to STFI, earthquake, theft, computer programmes, information or data etc. for corporate office situated in Noida and branch office situated in Pune. Additionally, we have taken Electronic Equipment Insurance Policy and Machinery Breakdown Insurance policy from ICICI Lombard General insurance company limited for our corporate office. Further, we maintain insurance from IFFCO Tokio General Insurance Co. Ltd. which provide appropriate coverage in relation to STFI, earthquake, theft etc. for branch office in Gurugram. Along with the same, we have also taken Vehicle Insurance policies.

While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks such as cash in transit, group accidental policies etc. Further, we have not taken insurance in respect of our registered office situated in New Delhi and Branch office situated in Haridwar, Uttarakhand. Failure to effectively cover ourselves against the associated risks may potentially lead to material losses. There can be no assurance that our insurance policies will be adequate to cover the losses/ damages suffered or that such insurance coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. If we suffer a significant uninsured loss or if insurance claim in respect of the subject matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

14. We have in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.

We have entered into various transactions with our Directors/ Promoters, Promoter Group members and Group company. These transactions, inter-alia include, remuneration, loans and advances, sales, purchase etc. In past, we have entered into sale transactions of more than 10% of our total revenue with our group company. For details, please refer to “***Annexure-Z- Related Party Transactions***” under Section titled “***Financial Information of the Company***” of this Draft Red Herring Prospectus. Our Company has entered such transactions due to easy proximity and quick execution on arms-length price in compliance with provisions of Companies Act 2013 and other applicable laws. Although all related-party transactions that we may enter into in

the future are subject to approval by Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions are not entered into with related parties.

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

15. Trade receivables form a major part of our current assets. Failure to manage our trade receivables could have an adverse effect on our sales, profitability, cash flow and liquidity.


Our business operations are dependent on our customers and the loss of our customers may adversely affect our sales and consequently our business and results of operations. To effectively manage our customers and trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. Our Company has created Provision for Bad and Doubtful Debts for non-recoverability of the dues from the Debtors which amounted to Rs. 18.25 lakhs in F.Y. 2023-24, Rs. 21.31 Lakhs in F.Y. 2022-23 and Rs. 35.13 lakhs in F.Y. 2021-22.

During the FY 2023-24, FY 2022-23 and FY 2021-22, our trade receivables were Rs. 2166.98 lakhs, Rs. 1473.76 lakhs and Rs. 906.82 Lakhs respectively. Our working capital position also depends on the period of time taken by customers to certify the invoice issued by us and release payment. All of these factors may result in an increase in the amount of our receivables. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability. We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. For details regarding trade receivables, please refer to section titled “*Financial information of the company*” beginning on page 156 of the Draft Red Herring Prospectus.

Further, we have engaged in various transactions with our group company, Sphinx Worldbiz GmbH, a technology and software company based in Frankfurt, Germany. Sphinx Worldbiz GmbH entered into a contract with Vinivia AG, a Swiss corporation based in Zug, for software development services, which were carried out by Sphinx Worldbiz Ltd as an outsourced provider. Initially, Vinivia AG made payments for the services rendered; however, they later stopped. This led Sphinx Worldbiz GmbH to file lawsuit No. 3-08 0 39/23 before the Hon'ble Landgericht Frankfurt am Main, seeking compensation of EUR 360,294 plus interest. The claim has since been settled, with Vinivia AG agreeing to pay EUR 260,000 in seven monthly installments. Until Sphinx Worldbiz GmbH receives these payments, the outstanding amount will be reflected as a trade receivable in Sphinx Worldbiz Ltd's accounts, as the payment was not made to Sphinx Worldbiz Ltd for the services provided. For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” on page 218 of this Draft Red Herring Prospectus.

16. Registration of the trademarks which we are using for our business is under process and is yet to be received. We may be unable to protect our intellectual property or knowhow from third party infringement which could harm our brand and services.



We have not registered the trademark  which we are using for our business. Even though, we have filed the application for registration of trademark vide application no. 6444549 dated May 22, 2024 before the Registrar of Trademarks, we do not have any control over the registration of the trademark and same may also be opposed by third parties that claim to have prior or superior rights. Such actions are not within our control and can severely impact business and may result in requirement to undertake rebranding exercises, all of which result in additional costs for us and could also impact our reputation. We routinely monitor third party trademarks, including domain names, by keeping a check on the use of our trademarks. However, it is possible that we are not aware of misuse of our trademarks and this could potentially cause loss of our reputation, which could impact our business and may even affect our goodwill. The use of a deceptively similar or identical third-party mark may result in a loss/injury to us. Such an action may also become a lengthy and costly exercise for us and may

not always be in our favour. For further details on above and other trademarks, please refer to chapter titled “**Our Business**” beginning on page 112 of this Draft Red Herring Prospectus.

17. We are subject to strict quality requirements and are consequently required to incur significant expenses to maintain our service quality. Any failure to comply with such quality standards may lead to cancellation of existing and future orders which may adversely affect our reputation, financial conditions, cash flows and results of operations.

Quality of our service and software products is very important for our customers and their brands equity. All our software products and services go through various quality checks at various stages. We provide manufacturing engineering solutions, alongwith product designing, software development and embedded engineering services tailored for various industries such as Automotive Industry, White Goods industry, IT Industry, Manufacturing Industry etc. Our Company is committed to provide quality services to our customers and in this relation has also received quality certification i.e. ISO 9001:2015 for the scope of design, engineering services and software services with support functions, for various industries. Our Company ensures that its software products and services are tested for various application tests such as performance, safety etc., in line with applicable standards. Failure of our services to meet prescribed quality standards may result in rejection and reworking. Any failure on our part to successfully maintain quality standards for our software products may affect our business and operations.

18. Our Group Company i.e. Sphinx Worldbiz GmbH and Shrmpro Private Limited operate in same line of business as us, which may lead to conflict of interest.

Our Group company i.e. Sphinx Worldbiz GmbH and Shrmpro Private Limited, is in the similar line of business as of our Company. Hence, we may have to compete with our Group Company for business, which may impact our business, financial condition and results of operations. We cannot assure that our Promoter who have common interest in said company will not favour the interest of said company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and this group company in circumstances where our respective interests’ conflict. In cases of conflict, our Promoter may favour this company and there can be no assurance that our Promoter or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours.

However, our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, see “**Our Group Companies**” and **Annexure Z - Related Party Transactions**” under Section titled “**Financial Information of the Company**” on page 223 and 191 respectively of this Draft Red Herring Prospectus.

19. Our Company is party to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.

Our Company, promoters & directors are party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and forums. Mentioned below are the details of the proceedings involving our Company, promoters & directors as on the date of this Draft Red Herring Prospectus along with the amount involved, to the extent quantifiable.

Litigations filed by our Company: -

(Rs. in lakhs)

Nature of Cases	No. of Outstanding Cases	Amount
Criminal Proceeding	1	14.62
Total	1	14.62

Litigations against the Company: -

(Rs. in lakhs)

Nature of Cases	No. of Outstanding Cases	Amount
Criminal Proceeding	1	Unascertainable
Direct Tax (Income Tax)- TDS Outstanding Demand	10	5.64

Sphinx Worldbiz Limited

Direct Tax (Income Tax e proceeding)	1	Unascertainable
Indirect Tax	5	7.30
Others	2	17.27
Total	19	30.21

Litigations against the Promoters and Directors of the company:

(Rs. in lakhs)

Nature of Cases	No. of Outstanding Cases	Amount
Sudhanshu Surana		
Direct Tax (Income Tax) Outstanding Demand	01	0.46
Indirect Tax	-	-
Prateechi Agarwal		
Direct Tax (Income Tax e proceeding)	01	Unascertainable
Indirect Tax	-	-
Total	01	0.46

Litigations filed by our Group Company: -

Nature of Cases	No. of Outstanding Cases	Amount
Other Proceeding	1	-*
Total	1	-*

**The Claim Has Been Settled And Amount Is To Be Paid In Seven Monthly Installments*

Note: The amount mentioned above may be subject to additional interest, rates or Penalties being levied by the concerned authorities for delay in making payment or otherwise.

Further, in addition to that, there could be other litigations & claims filed against the Company, Promoters & directors which the Company may not be aware of as on the date of this Draft Red Herring Prospectus. There can be no assurance that these litigations will be decided in favour of our Company and consequently it may divert the attention of our management and Promoter and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations.

For the details of the cases please refer the chapter titled “**Outstanding Litigations and Material Developments**” on page 215 of this Draft Red Herring Prospectus.

20. Our historical performance is not indicative of our future growth or financial results and we may not be able to sustain our historical growth rates.

Our business has experienced significant growth in prior periods. Our revenue from operations has increased from Rs. 4972.44 lakhs in financial year 2021-22, to Rs. 7477.93 Lakhs and Rs. 7913.45 Lakhs in Financial Years 2022-23 and 2023-24 respectively and our Profit after tax has increased from Rs. 304.79 lakhs in FY 2021-22 to Rs. 639.44 Lakhs and Rs. 733.10 lakhs in FY 2022-23 and 2023-24 respectively. We cannot assure you that we will be able to sustain the levels of revenue and profit growth that we have had in the past. Further, a number of our strategic initiatives are in initial stages. While we may experience initial success with such initiatives, there is no assurance that these will succeed in the long term.

21. Our Group Companies had incurred losses and had negative net worth in past which could adversely affect the results of operations and financial conditions of our group company.

Our Group Companies i.e. Sphinx Worldbiz GmbH and Shrmpro Private Limited had incurred losses in previous years and may also incur losses in future. Any operating losses could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards the group companies which could have an adverse effect on our operations and financials. For more information, regarding the Company, please refer chapter titled “**Our Group Companies**” beginning on page 222 of this Draft Red Herring Prospectus.

22. *Cyber risk and the failure to maintain the integrity of our operational or security systems or infrastructure, or those of our customers with which we conduct business, could have a material adverse effect on our business, results of operations, financial condition and cash flows.*

Cyber threats are evolving and are becoming increasingly sophisticated. Our Company may experience cyber threats from time to time, which pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of our data. There have been no instances of the loss/ leakage of confidential information from our Company's IT systems or due to cyber-attacks on our Company. Disruptions or failures in the physical infrastructure or operating systems that support our businesses and customers, or cyber-attacks or security breaches of our networks or systems in the future, could result in the loss of customers and business opportunities legal liability, regulatory fines, penalties or intervention, other litigation, regulatory and legal risks and the costs associated therewith, reputational damage, reimbursement or other compensatory costs, remediation costs, increased cybersecurity protection costs, additional compliance costs, increased insurance premiums, and lost revenues, damage to the Company's competitiveness and any of which could materially adversely affect our business, results of operations, financial condition and cash flows. We also maintain and have access to sensitive, confidential or personal data or information in certain of our businesses that is subject to privacy and security laws and regulations. Despite our efforts to protect such sensitive, confidential or personal data or information, our facilities and systems and those of our customers may be vulnerable to security breaches, theft, fraud, misplaced or lost data, "Acts of God", programming and/or human errors that could lead to the compromising of sensitive, confidential or personal data or information, improper use of our systems, software solutions or networks, unauthorized access, use, disclosure, modification or destruction of information, defective products, manufacturing downtimes and operational disruptions, which in turn could adversely affect our business, results of operations, financial condition and cash flows. For further details for business of our Company, kindly refer section titled "**Our Business**" beginning on Page 112 of this Draft Red Herring Prospectus.

23. *Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violation of these regulations could harm our business.*

Since we provide services to customers in India and overseas such as Germany, USA, Brazil etc. as a result, we are subject to numerous, and sometimes conflicting, legal requirements on matters as diverse as import/export controls, content requirements, trade restrictions, the environment (including electronic waste), tariffs, taxation, sanctions, government affairs, anti-corruption, whistle blowing, internal and disclosure control obligations, data protection and privacy and labour relations and certain regulatory requirements that are specific in the jurisdictions we operate.

Non-compliance with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and have an adverse impact on our reputation. Gaps in compliance with these regulations in connection with the performance of our obligations to our clients could also result in exposure to monetary damages, fines and/or criminal prosecution, unfavorable publicity, restrictions on our ability to process information and allegations by our clients that we have not performed our contractual obligations. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to defend us and preserve our rights. We could also be subject to risks to our reputation and regulatory action on account of any unethical acts by any of our employees, partners or other related individuals.

We may be subject to risks relating to compliance with a variety of national and local laws, including multiple tax regimes, labour laws, and employee health, safety, wages and benefits laws. We may, from time to time, be subject to litigation or administrative actions resulting from claims against us by current or former employees individually or as part of class actions, including claims of wrongful terminations, discrimination, misclassification or other violations of labour law or other alleged conduct.

24. *We are dependent on information technology systems in carrying out our business activities and it forms an integral part of our business.*

We are dependent on information technology system in connection with carrying out our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations.

Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorized access to our networks. In the event, any breach of our systems or software leads to the leaking of our trade secrets or any inventive techniques devised by our Company, it might lead to loss of our originality in the market and increase the chance of our products being substituted by the products of our competitors. While we have not faced any major technological disruptions in the past, we cannot assure you that such disruptions will not occur in the future. Further, if our customers are unable to anticipate and rapidly adapt to technological changes, our business and results of operations will be materially and adversely affected.

25. Compliance with, and changes in, safety, health and environmental laws and labour regulations may adversely affect our business, prospects, financial condition and results of operations.

Our operations are subject to central, state, and local laws and regulations relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our business processes. Due to the nature of our business, along with extensive and increasingly stringent environmental, health and safety laws and regulations, various labour related laws and regulations are also applicable on us.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

26. Our software products and services may contain coding, manufacturing or configuration errors or other defects that could harm our reputation, be expensive to correct, delay revenues, and expose us to litigation.

Our software products and services are fairly complex. Despite testing prior to the release and throughout the lifecycle of a product or service, our products may sometimes contain coding or errors that can impact their function, performance and security, and result in other negative consequences.

Errors may be found in new software products or services or improvements to existing products or services after delivery to our customers. If these defects are discovered after the release of such products to our customers, we may not be able to successfully correct such errors in a timely manner. In addition, despite the extensive tests we conduct on all our software products and services, we may not be able to fully simulate the environment in which our products and services will operate in the customers' ecosystem and, as a result, we may be unable to adequately detect the design defects or software errors which may become apparent only after the products are used in an end-user's environment, and users have transitioned to our services. The occurrence of errors, defects and failures in our software products and services could result in the delay or the denial of market acceptance of our products and alleviating such errors and failures may require us to incur significant expenditure.

Customers often use our services for critical business processes and as a result, any defect or disruption in our products and solutions, any data breaches or misappropriation of proprietary information, or any error in execution, including human error or third-party activity such as denial of service attacks or hacking, may harm our quality. The errors in or failure of our software products and services could also result in us losing customer transaction documents and other customer files, causing significant customer dissatisfaction and possibly giving rise to claims for monetary damages and litigations. The harm to our reputation resulting from such product and service errors and failures may be materially damaging. For further details of our business, please refer to chapter titled "***Business Overview***" beginning on Page 112 of this Draft Red Herring Prospectus.

27. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our inability to obtain, renew or retain the statutory and regulatory licenses, permits and approvals required to operate our business may have an adverse effect on our business & operations.

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained those permits and licenses which are adequate to run our business, we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

We cannot assure you that the approvals, licenses, registrations and permits required will be issued to us and those already issued will not be suspended or revoked in the event of non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any denial, suspension or revocation of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see "**Government and Other Approvals**" on page 219 of this Draft Red Herring Prospectus.

28. *We are subject to competition from both organized and unorganized players in the market, which may significantly affect the fixation and realization of the price for our software products and services, which may adversely affect our business operation and financial condition.*

The market for our software products and services is competitive on account of existence of both the organized and unorganized players. Competition occurs generally on the key attributes such as quality of products & services, sales network, pricing, timely delivery, brand recognition, longer operating histories, product development, more experienced management and access to a cheaper cost of capital. Some of our competitors have longer industry experience and greater financial, technical and other resources, which may enable them to adopt faster in changing market scenario and remain competitive. Moreover, the unorganized sector can offer their services at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

Further, new competitors may emerge at any time. Our competitors may be able to respond more quickly to new or emerging technologies or customer requirements, and may bring with them customer loyalties that may limit our ability to compete, which could decline our sales. In addition, a variety of known and unknown events could have a material adverse impact on our ability to compete. The success of our products as well as our ability to maintain or increase our sales may also depend upon the effectiveness of our marketing initiatives which may adversely affect our ability to compete effectively. New competitors may include foreign-based companies and domestic producers who could enter our markets. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

Furthermore, if one of our competitors or their customers acquires any of our customers or suppliers, we may lose business from the customer or lose a supplier, which may adversely affect our business, results of operations and financial condition.

29. *Adverse publicity regarding our products could negatively impact us.*

Adverse publicity regarding any of our software products and services or similar products marketed or sold by others could negatively affect us. If any studies raise or substantiate concerns regarding the efficacy or safety of our software products or other concerns, our reputation could be harmed and demand for our software products & services could diminish, which could have a material adverse effect on growth in new customers and sales of our product, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

30. *Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.*

Our contingent liabilities as on March 31, 2024 is Rs.36.24 lakhs. For further details of the contingent liabilities and commitments of our Company as on March 31, 2024, see **Annexure-Y** of "**Restated Financial Information**" on page 191 of this Draft Red Herring Prospectus. If a significant portion of these liabilities materialize, fully or partly, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

31. *Certain of our investments may be subject to market risk and we have not made any provisions for a possible decline of the value of such investments.*

We have made certain investments in equity shares and mutual funds. The value of these investments depends on several factors which are beyond our control, including the prevailing Indian and international economic conditions, inflationary expectations etc. Any decline in the value of these investments could affect our financial condition and results of operations. For details, please refer to *Annexure J–Restated Statement of Non-Current Investments* under Section titled “*Financial Information of the Company*” on page 185 of this Draft Red Herring Prospectus.

32. *If we are not able to successfully manage our growth, our business and results of operations may be adversely affected.*

Continued growth of our business and customer base requires us to expand our product and service portfolio, strengthen our service quality, expand and enhance our sales channels, better manage our supply chain, upgrade our information systems and technologies and devote other resources to our business expansions, among others. As we continue to grow, managing our business will become more complicated as we develop a wider product mix, some of which we may have less experience in. In addition, as we increase our service offerings, we will need to work with a larger number of business partners and maintain and expand mutually beneficial relationships with our existing and new business partners. Our inability to manage the expansion of range of our services, customer base and operational capacities, and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition.

We cannot assure you that we will be able to effectively manage our growth, that our current personnel, infrastructure, systems, procedures and controls or any measures to enhance them will be adequate and successful to support our expanding operations or that our strategies and new business initiatives will be executed successfully. Our failure to manage our anticipated growth effectively could reduce our ability to execute our business strategies, recruit and retain personnel, innovate, and manage costs all of which could adversely affect our business, results of operations, cash flows and financial condition. In addition, the availability of funds plays a crucial role for growth and expansion of the business. 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. Any downgrade in our credit ratings could increase our borrowing costs and adversely affect our access to capital. Further, in case we decide to raise additional funds through the issuance of equity or equity linked instruments, the interests of our shareholders may be diluted. Further, if we decide to meet our capital requirements through debt financing, our interest obligations shall increase and we may be subject to additional restrictive covenants under our respective financing arrangements. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations and financial condition could be adversely affected.

33. *The implementation process of Engineering solutions may in some cases be time consuming, and any failure to satisfy our customers or perform as desired could harm our business, results of operations, and financial condition.*

Our services are complex and are deployed in a wide variety of network environments. Engineering designing solutions is a complex and lengthy process since we often customize our services for customer’s requirements and environment. Inability to meet these requirements of our customers may result in dissatisfaction and/or damage to our reputation, which could materially harm our business. In addition, if our customers do not use our services as intended, inadequate performance or outcomes may result. It is possible that our services may be used by customers with smaller or less sophisticated IT departments, potentially resulting in sub-optimal performance at a level lower than anticipated by the customer. As our customers rely on our services to address important business goals and challenges, the incorrect or improper use or configuration of our services, or failure to properly provide implementation or analytical or maintenance services to our customers may result in contract terminations or non-renewals, reduced customer payments, negative publicity, or legal claims against us.

34. *Any unfavorable publicity in service quality may cause the Company substantial costs which in turn could adversely affect our goodwill and our sales could be diminished.*

Like any other business our business also relies on our service quality which enables us to gain customer trust. In this scenario it is very crucial for us to always maintain positive image of the Company. Any unfavorable publicity regarding our Company, brand, or facility we provide or any other unpredicted events could affect our reputation and our results from operations. We currently carry no service liability insurance with respect to our services. Although we attempt to maintain quality standards,

we cannot assure that all our services would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

35. *We are heavily dependent on our Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.*

Our success heavily depends on the efforts and abilities of our Promoters, along with support of our Key managerial personnel. We are dependent on our Promoters and Key Managerial Persons to manage our current business operations. The loss of any of our Promoter and/or Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoter and/or Key Managerial Personnel may lead to loss of technical knowledge which may materially and adversely impact our business, results of operations, and financial condition. For further details of our Directors and Key Managerial Personnel, please refer to Section “***Our Management***” on page 137 of this Draft Red Herring Prospectus.

36. *We have incurred indebtedness which exposes us to various risks which may have an effect on our business and results of operations*

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on March 31, 2024, our total outstanding indebtedness was Rs. 1,080.38 lakhs

Our significant indebtedness in future may result in substantial amount of debt service obligations which could lead to:

1. increasing our vulnerability to general adverse economic, industry and competitive conditions;
2. limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
3. affecting our credit rating;
4. limiting our ability to borrow more money both now and in the future; and
5. increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a shorter notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see “***Statement of Financial Indebtedness***” on page 202 of this Draft Red Herring Prospectus.

37. *Loans availed by Our Company has been secured on personal guarantees of our directors.*

Our directors namely Narendra Singh Surana, Sudhanshu Surana and Avishkar Surana has provided corporate/personal guarantee to secure a portion of our existing borrowings taken from the banks and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal/corporate guarantees provided by the aforesaid may be invoked which could negatively impact their reputation and net worth. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer “***Statement of Financial Indebtedness***” on page 202 of this Draft Red Herring Prospectus.

38. *Our Company has unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans may adversely affect our cash flows.*

Our Company has availed unsecured loans which may be recalled by lenders at any time with or without the existence of an event of default, on short or no notice. As of March 31, 2024, such loans amounted to Rs. 40.46 lakhs.

In the event that any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially affect our business, cash flows, financial condition and results of operations. For further details, please see the section entitled “***Statement of Financial Indebtedness***” on page 202 of this Draft Red Herring Prospectus.

39. *We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.*

The loan agreements entered into by us with banks contain specific covenants which require us to obtain the prior approval/permission from the banks on the occurrence of certain events such as formulation of any scheme of amalgamation or reconstruction, undertaking of any new project or expansion, making any substantial change in our management set up, any change in our capital structure resulting in reduction of capital, etc. Further, there can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please see “*Statement of Financial Indebtedness*” on page 202 of this Draft Red Herring Prospectus.

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

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

41. *We have issued Equity Shares in the last 12 months at a price which could be lower than the Issue Price.*

Except for bonus issue made on August 27, 2024 for 1,50,61,200 Equity Shares of face value of Rs.10 each in the ratio of 30:1, Our Company has not issued any Equity Shares at a price lower than the Issue Price during the period of one year preceding the date of this Draft Red Herring Prospectus. For details, please refer to section titled “*Capital Structure*” on page 70 of this Draft Red Herring Prospectus.

42. *The average cost of acquisition of Equity Shares by our Promoters, could be lower than the price determined at time of filing the Draft Red Herring Prospectus.*

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Price as may be decided by the Company in consultation with the Book Running Lead Manager. For further details regarding the average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares of our Promoters in our Company, please see section titled “*Capital Structure*” beginning on page 70 of this Draft Red Herring Prospectus.

43. *Our lenders have charge over properties in respect of finance availed by us.*

We have secured our lenders by creating a charge over immovable and movable properties of the company, in respect of Working capital loan and term loan availed by us from Kotak Mahindra Bank and Yes Bank. We have been extended such loan against hypothecation of our Company’s current assets. For further information on the financing and loan agreements along with the total amounts outstanding and the details of the repayment schedule, please refer to chapter “*Statement of Financial Indebtedness*” beginning on page 202 of this Draft Red Herring Prospectus.

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

Our Company is engaged in the business of providing manufacturing engineering solutions, alongwith product designing, software development and embedded engineering services tailored for various industries which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund and Employee State Insurance. Any demand or penalty raised by the concerned

authority in future for late payments or non-payments for any previous year and current year will affect the financial position of the Company.

45. *Excessive dependence on Kotak Mahindra Bank in respect of Loan facilities obtained by our Company.*

Our company has been sanctioned term loan and cash credit facilities by Kotak Mahindra Bank. The Company is dependent on such facilities and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for repayment and may also adversely affect the financial position of the Company.

46. *The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any variation between the estimation and actual expenditure as estimated by the management could result in execution delays or influence our profitability adversely.*

The deployment of funds as stated in the “*Objects of the Issue*” beginning on page 85 of this Draft Red Herring Prospectus is entirely at the discretion of our management and has not been appraised by any independent agency. Further, the purposes for which the Net Proceeds are to be utilized have not been appraised by an independent entity and are based on our estimates and on third-party quotations. In the event, for whatsoever reason, we are unable to execute our plans, we could have a significant amount of unallocated net proceeds. In such a situation, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations

47. *We have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion and as per the details mentioned in the section titled “Objects of the Issue”.*

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of Please refer section titled “*Object for the Issue*” beginning on Page 85 of this Draft Red Herring Prospectus.

48. *We may not be successful in implementing our business strategies.*

The success of our business will largely depend on our ability to effectively implement our business and growth strategies. Even though we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

49. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, working capital requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder's investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "**Dividend Policy**" on page 155 of this Draft Red Herring Prospectus.

50. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.*

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹10,000.00 Lacs. Hence, we have not appointed any monitoring agency for overseeing the deployment of utilization of funds raised through this Issue. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

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

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us may dilute your shareholding in the Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that we will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

52. *Employee misconduct or failure of our internal processes or procedures could harm us by impairing our ability to attract and retain customers and subject us to significant legal liability and reputational harm.*

Our business is exposed to the risk of employee misconduct or the failure of our internal processes and procedures. For example, misconduct by employees could involve the improper use or disclosure of confidential information, which could result in costly litigation 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 and internal policies, the precautions we take to prevent and detect such activity may not be effective in all cases and we may be unable to adequately prevent or deter such activities in all cases.

However, we have Errors and Omissions Insurance Policy taken from Future Generali India Insurance Company Limited to cover the said risk and we have not experienced 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, including claims for alleged negligence, in connection with any such unauthorized transaction, fraud or misappropriation by our employees, which could adversely affect our reputation, business prospects and future financial performance.

53. *Our business operations may be disrupted by an interruption in power supply which may impact our business operations.*

Our operations involve a significant amount of power supply as our service process requires continuous supply of power. We depend on electricity supply for our power requirements. An interruption in power supply may occur in the future as a result of any natural calamity, technical fault, and shortage of power or other factors beyond our control. This could also result in an increase in the cost of power. Lack of sufficient power resources or an increase in the cost of such power may adversely affect our business, results of operations and financial condition.

54. Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders

Our Promoter holds 99.44% of shareholding as on the date of Draft Red Herring Prospectus and [●] of shareholding Post the Issue. They will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. For further information, please refer to the chapters/section titled “***Our Business***”, “***Our Promoter & Promoter Group***” and “***Annexure -Z - Related Party Transactions***”, beginning on pages 112, 151 and 191 respectively of this Draft Red Herring Prospectus.

55. In addition to normal remuneration, other benefits and reimbursement of expenses to our Promoters, they are interested to the extent of their shareholding and dividend entitlement thereon in our Company.

Our Promoter- Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company or their relatives, dividend entitlement, properties given by them on lease/rental basis or loans advanced by them to the Company, and benefits deriving from the directorship in our Company. For further information, please refer to the chapters/section titled “titled “***Our Business***”, “***Our Promoter & Promoter Group***” and “***Annexure -Z - Related Party Transactions***”, beginning on pages 112, 151 and 191 respectively of this Draft Red Herring Prospectus.

56. The determination of the Price Band is based on various factors and assumptions, and the Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.

The determination of the Price Band is based on various factors/ assumptions and will be determined by our Company in consultation with the BRLMs. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. The Issue Price will be based on numerous factors, including the factors described in “***Basis for Issue Price***” on page 94 of this Draft Red Herring Prospectus and may not be indicative of the market price for the Equity Shares after the Issue.

The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company’s performance. As a result of these factors, there can be no assurance that the investors will be able to resell Equity Shares at or above the Issue Price resulting in a loss of all or part of the investment.

57. Certain key performance indicators for certain listed industry peers included in this Draft Red Herring Prospectus have been sourced from public sources and there is no assurance that such financial and other industry information is complete.

Pursuant to the requirements of the SEBI ICDR Regulations dated November 21, 2022, we have included certain key performance indicators, comprising financial and operational information, for certain listed industry peers, in the “***Basis for Issue Price***” beginning on page 94 of the Draft Red Herring Prospectus. While our business comprises of the IT industry, these listed industry peers are related to associated industry. Although this information is sourced from and relied upon on the consolidated audited financial statements of the relevant listed industry peers for Fiscals 2022 as available on the websites of the Stock Exchanges, including the annual reports of the respective companies for the years ended March 31, 2022 submitted to Stock Exchanges, there is no assurance that this information with respect to industry peers is either complete. There are different methodologies and formulas used to compute the various ratios. See “***Basis for Issue Price***” for more information.

58. Certain data mentioned in this Draft Red Herring Prospectus has not been independently verified.

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

59. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you 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 do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

60. *We may be subject to surveillance measures, such as the Additional Surveillance Measures (ASM) and the Graded Surveillance Measures (GSM) by the Stock Exchanges which may adversely affect trading price of our Equity Shares.*

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advise investors to be extra cautious while dealing in these securities and advise market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation. In the event our Equity Shares are subject to such pre-emptive surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

61. *Industry information included in this Draft Red Herring Prospectus has been derived from industry sources. There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate.*

This Draft Red Herring Prospectus includes information on Industry in which we operate from various sources. For further details, please see “**Industry Overview**” beginning on page 104 of this Draft Red Herring Prospectus. The data has been furnished by independent agency on their websites and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Draft Red Herring Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

62. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National Stock Exchange of India Limited in a timely manner or at all.*

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of National Stock Exchange of India Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

63. *Significant differences exist between Indian GAAP and other accounting principles, such as Ind AS, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.*

Our restated summary statements of assets and liabilities, restated summary statements of profit and loss and cash flows for the Fiscals 2024, 2023 & 2022 have been prepared in accordance with the Indian GAAP. We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. Ind AS, US GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

64. *QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Issue Closing Date.*

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Issue within six (6) Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Issue or may cause the trading price of our Equity Shares to decline on listing.

Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

EXTERNAL RISK FACTORS:

65. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and

financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries.

66. Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.

As substantially all of our operations are dependent on our customers who have their head offices or parent companies situated outside India, our financial performance and growth are necessarily dependent on economic conditions prevalent globally. The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax, trade, and monetary policies; occurrence of natural or manmade disasters; downgrade in debt rating; and adverse economic conditions occurring elsewhere in the world, such as a slowdown in economic growth in China, the repercussions of the United Kingdom exit from the European Union and other matters. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geo political conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavorable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business.

67. A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by Centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. Further, there have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

68. 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.

69. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details, please refer to the chapter “**Government and Other Approvals**” on page 219 for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

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 investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India’s Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies. Any such future amendments may affect other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/tribunals/ courts would influence our profitability.

The Finance Act, 2022 (“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 and that 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 nonresident and are likely to be subject to tax deduction at source. The 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. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. 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 impact the viability of our current business or restrict our ability to grow our business in the future.

70. *Our performance is linked to the stability of policies and the political situation in India.*

The Government of India has traditionally exercised, and continues to exercise, a significant 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.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

71. If certain labour laws become applicable to us, our profitability may be adversely affected.

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

72. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer 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 rupees proceeds from the 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 authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

73. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, man-made disasters, including acts of war, terrorist attacks, environmental issues and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations.

Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

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.

74. Investors may be adversely affected due to retrospective tax law changes made by the GoI affecting us.

Certain recent changes to the Income Tax Act provide that income arising directly or indirectly through the sale of a capital asset of an offshore company, including shares, will be subject to tax in India, if such shares derive indirectly or directly their value substantially from assets located in India. The term "substantially" has not been defined under the Income Tax Act and therefore, the applicability and implications of these changes are largely unclear. Due to these recent changes, investors may be subject to Indian income taxes on the income arising directly or indirectly through the sale of the Equity Shares. In the past, there have been instances where changes in the Income Tax Act have been made retrospectively and to that extent, there cannot be an assurance that such retrospective changes will not happen again.

SECTION IV – INTRODUCTION**THE ISSUE**

PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Offered through Public Issue ⁽¹⁾⁽²⁾	Issue of upto 55,68,000 Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs.
Out of which:	
Issue Reserved for the Market Makers	Upto [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
Net Issue to the Public	Upto [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
Out of which*	
A. QIB Portion ⁽³⁾⁽⁴⁾	Not more than [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
Of which	
i) Anchor Investor Portion	Upto [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
Of which	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
B. Non-Institutional Portion	Not less than [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
C. Retail Portion	Not less than [●] Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,55,63,240 Equity Shares of face value of Rs.10 each.
Equity Shares outstanding after the Issue	Upto [●] Equity Shares of face value Rs.10 each.
Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 85 of this Draft Red Herring Prospectus.

Subject to finalisation of the Basis of Allotment, Number of shares may need to be adjusted for lot size upon determination of issue price.

Notes:

- The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, 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 Regulation of 229(2) of SEBI (ICDR) Regulations 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 03, 2024 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 Extra Ordinary General Meeting held on July 29, 2024.
- 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 251 of this Draft Red Herring Prospectus.

SUMMARY OF RESTATED FINANCIAL STATEMENTS**ANNEXURE I
RESTATED STATEMENT OF ASSETS AND LIABILITIES****(Amount in Rs. Lakhs)**

PARTICULARS		As at		
		31-03-2024	31-03-2023	31-03-2022
A)	EQUITY AND LIABILITIES			
1.	Shareholders' Funds			
(a)	Share Capital	50.20	50.20	50.20
(b)	Reserves & Surplus	2764.52	2032.51	1393.07
(c)	Money received against share warrants	0.00	0.00	0.00
		2814.73	2082.71	1443.27
2.	Non-Current Liabilities			
(a)	Long Term Borrowings	784.98	503.10	696.16
(b)	Deferred Tax Liabilities (Net)	21.16	13.52	10.35
(c)	Other Loan Term Liabilities	0.00	0.00	0.00
(d)	Long Term Provisions	96.01	71.41	67.21
		902.15	588.03	773.72
3.	Current Liabilities			
(a)	Short Term Borrowings	295.40	195.81	190.64
(b)	Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises; and	59.13	111.76	17.10
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.	251.27	244.95	114.58
(c)	Other Current Liabilities	226.61	97.51	97.97
(d)	Short Term Provisions	741.12	659.17	464.25
		1573.54	1309.20	884.53
		5290.41	3979.94	3101.53
B)	ASSETS			
1.	Non-Current Assets			
(a)	Property, Plant & Equipment and Intangible Assets			
	i) Property, Plant & Equipment	2252.95	1633.39	1695.98
	ii) Intangible Assets	45.95	72.93	0.00
	iii) Capital Work in Progress	0.00	0.00	0.00
	iv) Intangible Assets under development	0.00	0.00	0.00
		2298.90	1706.33	1695.98
(b)	Non-Current Investment	107.29	99.27	147.05
(c)	Deferred Tax Assets (Net)	-	-	-
(d)	Long Term Loans and Advances	25.27	10.67	3.12
(e)	Other Non-Current Assets	-	-	-
		132.56	109.93	150.17
2.	Current Assets			
(a)	Current Investments			
(b)	Inventories	0.80	1.03	1.44
(c)	Trade Receivables	2166.98	1473.76	906.82
(d)	Cash and Cash equivalents	58.54	52.28	103.82
(e)	Short-Term Loans and Advances	317.79	241.88	235.09
(f)	Other Current Assets	314.84	394.74	8.21
		2858.95	2163.68	1255.38
	TOTAL	5290.41	3979.94	3101.53

ANNEXURE II
RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in Rs. Lakhs)

PARTICULARS		For the Year ended on		
		31-03-2024	31-03-2023	31-03-2022
1	Revenue From Operation	7913.45	7477.93	4972.44
2	Other Income	628.35	306.94	158.69
3	Total Income (1+2)	8541.80	7784.86	5131.12
4	Expenditure			
(a)	Cost of Services	618.64	825.64	433.91
(b)	Purchases of Stock in Trade	518.47	723.75	545.83
(c)	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	0.22	0.41	59.07
(d)	Employee Benefit Expenses	5007.13	4240.88	2871.49
(e)	Finance Cost	69.06	36.60	60.81
(f)	Depreciation and Amortisation Expenses	141.26	141.74	126.68
(g)	Other Expenses	1135.31	921.68	612.83
5	Total Expenditure 4(a) to 4(g)	7490.10	6890.70	4710.63
6	Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)	1051.69	894.16	420.49
7	Exceptional item	-	-	-
8	Profit before tax (6-7)	1051.69	894.16	420.49
9	Tax Expense:			
(a)	Tax Expense for Current Year	310.95	251.55	144.20
(b)	Deferred Tax	7.64	3.17	(28.50)
	Net Current Tax Expenses	318.59	254.72	115.70
10	Profit/(Loss) for the Year (10-11)	733.10	639.44	304.79
11	Earnings Per Equity Share (EPES)			
	Basic EPS (in INR)	4.71	4.11	1.96
	Diluted	4.71	4.11	1.96

**ANNEXURE III
RESTATED CASH FLOW STATEMENT**

(Amount in Rs. Lakhs)

PARTICULARS	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
A) Cash Flow from Operating Activities:			
Net Profit before tax	1051.69	894.16	420.49
Adjustment for:			
Depreciation	141.26	141.74	126.68
Interest Paid	61.42	29.51	60.81
Provision of Gratuity	37.07	13.84	99.12
Interest Income	(16.00)	(4.89)	1.48
Provision for CSR Expenses	5.95	0.00	0.00
Profit on sale of asset	-	(0.90)	-
Provision for Bad and doubtful debts	18.25	21.31	35.13
Operating profit before working capital changes	1299.65	1094.78	743.71
Changes in Working Capital			
(Increase)/Decrease in Inventory	0.22	0.41	59.07
(Increase)/Decrease in Trade Receivables	(711.47)	(588.24)	(520.51)
(Increase)/Decrease in Short Term Loans & Advances and Provisions	(75.91)	(6.79)	(70.64)
(Increase)/Decrease in Other Current Assets	79.90	(386.53)	(8.21)
Increase/(Decrease) in Trade Payables	(46.30)	225.03	10.80
Increase/(Decrease) in Other Current Liabilities	129.10	(0.46)	60.10
Increase/(Decrease) in Short Term Provisions	3.94	77.93	108.82
Cash generated from operations	679.13	416.12	383.13
Less: - Income Taxes paid	(252.46)	(144.20)	(2.96)
Net cash flow from operating activities	426.67	271.92	380.18
B) Cash Flow from Investing Activities:			
Increment in Fixed Assets including CWIP	(733.84)	(155.57)	(133.78)
Proceeds from Sale of Fixed Assets	-	4.38	-
(Increase)/Decrease in Long Term Loans and Advances	(14.60)	(7.55)	(1.08)
(Increase)/Decrease in Other Non-Current Assets	-	-	-
(Increase)/Decrease in Other Non-Current Investment	(8.03)	47.78	(139.87)
Interest Income	16.00	4.89	(1.48)
Net cash flow from investing activities	(740.46)	(106.07)	(276.22)
C) Cash Flow from Financing Activities:			
Proceeds from Issue of Share Capital	-	-	-
Proceeds from Securities Premium	-	-	-
Increase/(Decrease) in Long Term Borrowings	281.88	(193.06)	(284.65)
Increase/(Decrease) in Short Term Borrowings	99.60	5.17	190.64
Interest Paid	(61.42)	(29.51)	(60.81)
Net cash flow from financing activities	320.05	(217.40)	(154.82)
Net Increase/(Decrease) In Cash & Cash Equivalents	6.26	(51.54)	(50.87)
Cash equivalents at the beginning of the year	52.28	103.82	154.69
Cash equivalents at the end of the year	58.54	52.28	103.82
Notes: -	31-03-2024	31-03-2023	31-03-2022
1. Component of Cash and Cash equivalents			
Cash in hand	0.00	0.00	0.00
Balance With banks	58.53	52.27	103.81
Other Bank Balance	-	-	-
Total	58.54	52.28	103.82

1. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

GENERAL INFORMATION

Brief Summary:

Our Company was originally incorporated as “Sphinx Worldbiz Limited” a Public limited company under the Companies Act, 1956 at Delhi, pursuant to a certificate of incorporation dated January 29, 1996 issued by the Additional Registrar of Companies, National Capital Territory of Delhi & Haryana. We commenced commercial operations pursuant to a Certificate for Commencement of Business dated February 28, 1996 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Our Company’s Corporate Identity Number is U74899DL1996PLC075839.

For further details please refer to chapter titled “History and Corporate Structure” beginning on page 133 of this Draft Red Herring Prospectus.

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

CIN: U74899DL1996PLC075839

Registration No.: 075839

Registered Office:

Sphinx Worldbiz Limited

G-7, 20, Hari Sadan, Ansari Road, Darya Ganj, New Delhi, 110002, Delhi, India.

Tel. No.: +91 9899932776

Email: cs@sphinxworldbiz.com

Website: www.sphinxworldbiz.com

Corporate Office:

Sphinx Worldbiz Limited

A-27B, Sector-16, Noida, 201301, Uttar Pradesh, India.

Tel. No.: +91 120 473 6400

Email: cs@sphinxworldbiz.com

Website: www.sphinxworldbiz.com

Address of the Registrar of Companies:

Registrar of Companies, Delhi

4th Floor, IFCI Tower, 61, Nehru Place,
New Delhi 110019, India.

Tel No: 011-26235703/26235708

Email id: roc.delhi@mca.gov.in

Website: www.mca.gov.in

Board of Directors:

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

Sr. No.	Name of Directors	Designation	DIN	Address
1.	Narendra Singh Surana	Chairman & Managing Director	01470765	G27, Sector 39, Gautam Buddha Nagar, Noida, 201301 Uttar Pradesh, India.
2.	Sudhanshu Surana	Whole Time Director & Chief Executive Officer	01820114	G27, Sector 39, Gautam Buddha Nagar, Noida, 201301 Uttar Pradesh, India.
3.	Avishkar Surana	Whole Time Director & Chief Financial Officer	07633160	G27, Sector 39, Gautam Buddha Nagar, Noida, 201301 Uttar Pradesh, India.

Sphinx Worldbiz Limited

4.	Ajay Jain	Whole Time Director	02704846	527-528 Double Storey Third Floor, New Rajinder Nagar, New Delhi, 110060, Delhi, India.
5.	Prateechi Agarwal	Non-Executive Director	00188395	R - 9/224 Rajnagar, Ghaziabad, 201002, Uttar Pradesh, India.
6.	Deepak Jain	Independent Director	10600972	House No. 628, Sector 21, Gurgaon, 122001, Haryana, India.
7.	Ved Prakash Yajurvedi	Independent Director	08523448	E-33, Ayudh Vihar, Plot No. 3, Sector 13, Dwarka, Delhi Contonment, South West Delhi, 110078, Delhi, India.
8.	Vivek Kumar	Independent Director	00206819	C-492 Yojana Vihar, Near Gorakshnath Mandir, Kalamba, 110092, Delhi, India.

For further details in relation to our directors, please refer to chapter titled “**Our Management**” on page 137 of this Draft Red Herring Prospectus.

Chief Executive Officer	Chief Financial Officer	Company Secretary & Compliance Officer
Sudhanshu Surana Sphinx Worldbiz Limited A-27B, Sector-16, Noida, 201301, Uttar Pradesh, India. Tel. No.: +91 120 473 6400 Email: s.surana@sphinxworldbiz.com Website: www.sphinxworldbiz.com	Avishkar Surana Sphinx Worldbiz Limited A-27B, Sector-16, Noida, 201301, Uttar Pradesh, India. Tel. No.: +91 120 473 6400 Email: cfo@sphinxworldbiz.com Website: www.sphinxworldbiz.com	Aditya Kumar Sethi Sphinx Worldbiz Limited A-27B, Sector-16, Noida, 201301, Uttar Pradesh, India. Tel. No.: +91 120 473 6400 Email: cs@sphinxworldbiz.com Website: www.sphinxworldbiz.com

Investor Grievances:

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager 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, noncredit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances relating to the issue other than the Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the Anchor Investors may be addressed to the Book Running Lead Manager, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

Details of Key Intermediaries pertaining to this Issue and our Company:

Book Running Lead Manager to the Issue	Legal Advisor to the Issue
Hem Securities Limited Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India.	Zenith India Lawyers Address: D-49, SL-III, Sector-57, Gurugram, Haryana-122003 Tel: +91-9899016169

Book Running Lead Manager to the Issue	Legal Advisor to the Issue
Tel No.: +91-22-4906 0000 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Ajay Jain SEBI Reg. No.: INM000010981 CIN: U67120RJ1995PLC010390	Email: raj@zilawyers.com Website: www.zilawyers.com Contact Person: Raj Rani Bhalla Designation: Managing Partner
Registrar to the Issue	Statutory Auditor
Maashitla Securities Private Limited Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, New Delhi, 110034, Delhi, India. Tel No: +91-11-45121795 Email: ipo@maashitla.com Investor Grievance Email: investor.ipo@maashitla.com Contact Person: Mukul Agrawal Website: www.maashitla.com SEBI Registration No.: INR000004370 CIN: U67100DL2010PTC208725 Expiry Date of Reg.: Permanent	M/s. MANV & Associates. Chartered accountants, Address: K-76, Jalvayu Vihar, Sector-25, Noida, 201301, Uttar Pradesh, India Tel No.: +011-41633988 / 22046114 Email: ca_nkgupta@yahoo.com Firm Registration No.: 007351N Peer Review Certificate Number: 017012 Membership No: 085713 Contact Person: Naresh Kumar Gupta Designation: Partner
Peer Review Auditor**	Bankers to our Company
M/s. S.R. Goyal & Co. Chartered Accountants, Address: ‘SRG HOUSE’ Plot No. 2, M.I. Road, Opp. Ganpati Plaza, Jaipur – 302001, Rajasthan, India. Tel No.: + 0141-4041300 Email: info@srgoyal.com Website: www.srgoyal.com Firm Registration No.: 001537C Peer Review Certificate Number: 013596 Contact Person: Ajay Atolia Membership No: 077201 Designation: Partner	Kotak Mahindra Bank Limited Address: WTT Tower, First Floor, Sector 16, Noida, 201301, Uttar Pradesh, India. Tel. No.: +919643202650 Email: vaishally.agarwal@kotak.com Website: www.kotak.com Contact Person: Vaishally Agarwal Designation: Associate Vice President
Bankers to the Issue/ Refund Banker/Sponsor Bank*	Syndicate Member*
[•]	[•]

*The Bankers to the Issue/ Refund Banker/ Sponsor Bank and Syndicate Member shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

**In accordance with the SEBI (ICDR) Regulations, we have appointed M/s. S.R. Goyal & Co. Chartered Accountants, (FRN: 001537C) as Peer Review Auditor vide Board Resolution dated July 03, 2024 for restatement of financial statements for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022.

Designated Intermediaries:

Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>;

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

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 accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears 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. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at www.nseindia.com as updated from time to time.

Registrar and Share Transfer Agents

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> , as updated from time to time.

Collecting Depository Participants (CDP's)

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Brokers to the Issue

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

Experts Opinion

Except for the reports in the section "*Statement of Special Tax Benefits*", "*Financial Information of the Company*" "*Statement of Financial Indebtedness*" on page 100, 156 and 202 respectively of this Draft Red Herring Prospectus from the Peer Review Auditor, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditor for inclusion of their name in this Draft Red Herring Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as "**Expert**", defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "**expert**" shall not be construed to mean an "**expert**" as defined under the U.S. Securities Act, 1933.

Inter-se Allocation of Responsibilities

Since, Hem Securities Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

Monitoring Agency

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹10,000 Lakhs. Hence, our Company is not required to appoint a monitoring agency in relation to the issue. However, as per section 177 of the Companies Act, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds.

Green Shoe Option

No Green Shoe Option is applicable for this Issue.

Appraising Entity

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

Credit Rating

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

IPO Grading

Since the issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

Trustees

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

Debenture Trustees

As this is an issue of Equity Shares, the appointment of Debenture trustees is not required.

Filing of Offer Document with the Designated Stock Exchange/SEBI/ROC

The Draft Red Herring Prospectus is being filed with Emerge Platform of 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, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of 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, along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>.

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 shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Delhi Edition of Regional newspaper [●] where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. 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 Hem Securities Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange of India Limited 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 Book Running Lead Manager 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 Book Running Lead Manager 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 chapter titled “**Issue Procedure**” beginning on page 251 of the Draft 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 entitled “*Issue Procedure*” on page 251 of this Draft 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%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	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 Book Running Lead Manager, 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 251 of this Draft 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 Draft Red Herring Prospectus and in the Bid cum Application Form;

Bid/ Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date ¹	[●]
Bid/Issue Closing Date ²	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	On or about [●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or about [●]

¹ 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

² Our Company in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations.

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 Bidder on Bid/Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and NSE 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 Draft 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.

Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, 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 Book Running Lead Manager, 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 Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus/ Prospectus with Registrar of Companies.

Underwriting

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriter [•] in the capacity of Underwriter to the issue.

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

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
[•]	[•]	[•]	[•]

*Includes [•] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, [•] in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.

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

Change in Auditors during the last three (3) years:

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years:

Details of Auditors	Date of Change	Reason
M/s. Dewan and Gulati Chartered Accountants, Address: 1/33-34, Kushal Apartment, Sir Ganga Ram Hospital Road, Old Rajinder Nagar, New Delhi, 110060, Delhi, India. Tel No.: 011-45137040 Email: partner@dewanandgulati.com Firm Registration No.: 003881N Membership No: 082929 Contact Person: Dr. Sunil Gulati Designation: Partner	Date of Appointment : September 30, 2019 Date of Resignation: August 23, 2023	Due to Pre-Occupation in other Assignments
M/S. MANV & Associates. Chartered accountants, Address: D-9/236A, Laxmi Nagar, Delhi-110092. Tel No.: +011-41633988 / 22046114 Email: ca_nkgupta@yahoo.com Firm Registration No.: 007351N Peer Review Certificate Number: 017012 Membership No: 085713 Contact Person: Naresh Kumar Gupta Designation: Partner	August 31, 2023	Appointment of Statutory Auditors due to casual vacancy
	September 30, 2023	Re-Appointment of Statutory Auditors for next 5 years

Details of the Market Making arrangement for this Issue

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker for fulfilling the Market Making obligations under this Issue:

Name	[●]
Correspondence Address:	[●]
Tel No.:	[●]
E-mail:	[●]
Website:	[●]
Contact Person:	[●]
SEBI Registration No.:	[●]
Market Maker Registration No.	[●]

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfill the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

[●], registered with Emerge Platform of NSE “NSE Emerge” 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 fulfill the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by NSE and SEBI in this matter from time to time.

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

- 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).
- 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 National Stock Exchange of India Limited (Emerge platform of NSE) and SEBI from time to time.
- The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 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.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the Emerge platform of NSE (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the Emerge platform of NSE from time to time).
- 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.
- 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.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 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.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 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
- The Market Maker(s) shall have the right to terminate said arrangement by giving a six 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 Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars 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.
- **Risk containment measures and monitoring for Market Makers:** NSE Emerge Exchange will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Makers:** The Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- **Price Band and Spreads:** The SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
 - i. 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.
 - ii. 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 trading shall take place in TFT segment for first 10 days from commencement of trading. 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.

The following spread will be applicable on the SME Exchange/ Platform.

S. No.	Market Price Slab (in Rs.)	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

- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI / NSE from time to time.

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.

CAPITAL STRUCTURE

Set forth below are the details of the Equity Shares Share Capital of our Company as on the date of this Draft Red Herring Prospectus.

(Rs. in Lakhs, except share data)

Sr. No.	Particular	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	Authorized Share Capital 2,30,00,000 Equity Shares having face value of Rs. 10/- each	2300.00	-
B	Issued, Subscribed & Paid-up Share Capital prior to the Issue 1,55,63,240 Equity Shares having face value of ₹10/- each	1556.32	-
C	Present Issue in terms of this Draft Red Herring Prospectus* Upto 55,68,000 Equity Shares having face value of ₹ 10/-each at a Premium of ₹ [●] per share	[●]	[●]
	Which comprises of:		
D	Reservation for Market Maker Portion Upto [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Shares Share reserved as Market Maker Portion	[●]	[●]
E	Net Issue to Public Net Issue to Public of Upto [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Shares Share to the Public	[●]	[●]
	Of which:		
	i. At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	ii. At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	iii. Not more than [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds.	[●]	[●]
F	Issued, Subscribed and Paid-up Equity Shares Share Capital after the Issue Upto [●] Equity Shares of face value of ₹10/- each		[●]
G	Securities Premium Account		
	Before the Issue (as on date of this Draft Red Herring Prospectus)		Nil
	After the Issue		[●]

*The Present Issue of upto 55,68,000 Equity Shares in terms of this Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated July 03, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of the members held on July 29, 2024

Classes of Shares: -

Our Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date this Draft Red Herring Prospectus.

Notes to the Capital Structure:**1. Changes in Authorised Equity Share Capital of our Company:**

Sr. No.	Particulars of Changes	Cumulative No. of Equity Shares	Face Value of Equity Shares	Cumulative Authorized Share Capital (Rs. in lakhs)	Date of Shareholders' Meeting	Whether AGM/ EGM
1.	Upon incorporation	5,00,000	10/-	50.00	On Incorporation	N.A.

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2.	Increase in Authorised Share Capital from ₹50.00 Lakhs to ₹ 300.00 Lakhs	30,00,000	10/-	300.00	July 02, 2003	EGM
3.	Increase in Authorised Share Capital from ₹300.00 Lakhs to ₹ 2300.00 Lakhs	2,30,00,000	10/-	2300.00	May 31, 2024	EGM

2. Share Capital History of our Company:

a) Equity Shares capital

The following table sets forth details of the history of the Equity Shares capital of our Company:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable) (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Securities Premium (₹)	Cumulative Paid-up Capital (₹)
Upon Incorporation	70	10	10	Cash	Subscription to MOA ⁽ⁱ⁾	70	Nil	700
March 31, 2001*	2,24,000	10	10	Cash	Further Allotment ⁽ⁱⁱ⁾	2,24,070	Nil	22,40,700
March 31, 2003*	2,02,970	10	100	Cash	Further Allotment ⁽ⁱⁱⁱ⁾	4,27,040	1,82,67,300	42,70,400
December 31, 2003*	75,000	10	100	Cash	Further Allotment ^(iv)	5,02,040	2,50,17,300	50,20,400
August 27, 2024	1,50,61,200	10	-	Other than Cash	Bonus Issue in the ratio of 30:1 ^(v)	1,55,63,240	Nil	15,56,32,400

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

* The form filed with the RoC for the said allotment is not available with either the RoC or the Company. These details have been inserted here based on information from the statutory registers and other records available with the company.

(i) Initial Subscribers to Memorandum of Association subscribed 70 Equity Shares of face value of Rs. 10/- each, details of which are given below:

Sr. No.	Name of Subscribers	Number of Equity Shares Subscribed
1.	Narendra Singh Surana	10
2.	Anil Kumar Shrivastav	10
3.	Sunil Surana	10
4.	Pankaj Surana	10
5.	Bimal Pat Surana	10
6.	Nand Kishor Gupta	10
7.	Kamal Pat Surana	10
Total		70

(ii) Details of the Further Allotment of 2,24,000 Equity Shares of face value of Rs. 10/- each on March 31, 2001 each as per the details given below:

Sr. No.	Name of Allotees	Number of Equity Shares Allotted
1.	Narendra Singh Surana	1,01,520
2.	Kamal Pat Surana	1,02,000
3.	Sunil Surana	1,000
4.	Bimal Pat Surana	2,000
5.	M/s Pranam Enterprise	5,000
6.	SAG Audio Vision Private Limited	10,000
7.	Narendra Singh Surana HUF	2,480
Total		2,24,000

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- (iii) Details of the Further Allotment of 2,02,970 Equity Shares of face value of Rs. 10/- each at a premium of Rs.90/- each on March 31, 2003 as per the details given below:

Sr. No.	Name of Allotees	Number of Equity Shares Allotted
1.	Narendra Singh Surana	29,830
2.	Kamal Pat Surana	100
3.	M/s Pranam Enterprise	1,890
4.	M/s Rishav Udyog	1,04,310
5.	Sarita Electronics Private Limited	290
6.	Zigma Software Limited	39,000
7.	A Little World Private Limited	10,650
8.	M/s Prakash Electronics	16,900
Total		2,02,970

- (iv) Details of the Further Allotment of 75,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs.90/- each on December 31, 2003 as per the details given below:

Sr. No.	Name of Allotees	Number of Equity Shares Allotted
1.	Narang Leasing and Finance Ltd	2,500
2.	Coir Cushion Ltd	25,000
3.	M/s K V Enterprises	10,000
4.	Ajay Kumar Agarwal	15,000
5.	M/s Sphinx Technology	22,500
Total		75,000

- (v) Bonus issue of 1,50,61,200 Equity Shares of face value of Rs. 10/-each in the ratio of 30:1 i.e. Thirty (30) Bonus Equity Shares for every One (1) Equity Shares held by shareholders. (refer point no. 4 below for allottees list):

- b) Preference Share Capital:** As on the date of this Draft Red Herring Prospectus, our Company does not have any Preference Share Capital.

3. Details of Allotment made in the last two years preceding the date of Draft Red Herring Prospectus

Except as mentioned in point number 2.a(v) above, the Company has not issued any Equity Share in the last two years preceding the date of the Draft Red Herring Prospectus.

4. Issue of Equity Shares for consideration other than cash:

Except as set out below, we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottee	No. of Shares Allotted
August 27, 2024	1,50,61,200	10	-	Bonus Issue in the ratio of 30:1	Capitalization of Reserves & Surplus	Narendra Singh Surana	89,86,320
						Anil Kumar Shrivastav	300
						Pankaj Surana	300
						Nand Kishor Gupta	300
						Narendra Singh Surana HUF	74,400
						Sarita Electronics Pvt Ltd	8,700
						Sudhansu Surana	29,95,440
						Avishkar Surana	29,95,440
						Total	1,50,61,200

5. No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.
6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
7. Except for bonus issue made on August 27, 2024, Our Company has not issued Equity Shares at price below the Issue price within last one year from the date of the Draft Red Herring Prospectus. (refer point no. 4 above for allottees list)
8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
9. **Shareholding Pattern of the Company**

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

I. Our Shareholding Pattern:-

Sr. No.	Category of shareholder	Nos. of shareholders	No. of fully paid-up Equity Shares held	No. of Partly paid-up Equity Shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of Equity Shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Class eg: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII	XIII	XIV		
(A)	Promoter & Promoter Group	4	1,55,53,320	-	-	1,55,53,320	99.94	1,55,53,320	-	1,55,53,320	99.94	-	-	-	-	-	1,55,53,320	
(B)	Public	4	9,920	-	-	9,920	0.06	9,920	-	9,920	0.06	-	-	-	-	-	9,610*	
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	8	1,55,63,240	-	-	1,55,63,240	100.00	1,55,63,240	-	1,55,63,240	100.00	-	-	-	-	-	1,55,62,930	

The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

* Out of 9,920 equity shares, 310 equity shares held by public shareholders are yet to be dematerialized.

Notes-

- As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.
- We have only one class of Equity Shares of face value of Rs. 10/- each.

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- *We have entered into tripartite agreement with CDSL & NSDL.*
- *Our Company will file the shareholding pattern in the format prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one 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.*

10. List of Shareholders of the Company holding 1% or more of the paid up Share Capital of the Company:-

a) As on the date of filing of this Draft Red Herring Prospectus: -

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre-Issue paid up Share Capital
1.	Narendra Singh Surana	92,85,864	59.67
2.	Sudhansu Surana	30,95,288	19.89
3.	Avishkar Surana	30,95,288	19.89
	Total	1,54,76,440	99.44

b) Ten days prior to the date of filing of this Draft Red Herring Prospectus: -

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre-Issue paid up Share Capital
1.	Narendra Singh Surana	92,85,864	59.67
2.	Sudhansu Surana	30,95,288	19.89
3.	Avishkar Surana	30,95,288	19.89
	Total	1,54,76,440	99.44

c) One Year prior to the date of filing of this Draft Red Herring Prospectus: -

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre-Issue paid up Share Capital
1.	Narendra Singh Surana	2,99,544	59.67
2.	Sudhansu Surana	99,848	19.89
3.	Avishkar Surana	99,848	19.89
	Total	5,02,040	99.44

**Details of shares held on September 30, 2023 and percentage held has been calculated based on the paid-up capital of our Company as on September 30, 2023*

d) Two Years prior to the date of filing of this Draft Red Herring Prospectus: -

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre-Issue paid up Share Capital
1.	Narendra Singh Surana	2,99,544	59.67
2.	Sudhansu Surana	99,848	19.89
3.	Avishkar Surana	99,848	19.89
	Total	5,02,040	99.44

**Details of shares held on September 30, 2022 and percentage held has been calculated based on the paid-up capital of our Company as on September 30, 2022*

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

13. Capital Buildup in respect of Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, Our Promoters, Narendra Singh Surana, Sudhansu Surana and Avishkar Surana, collectively hold 1,54,76,440 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge

Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

Date of Allotment and paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Acquisition	Pre-Issue Shareholding % (adjusted as per face value)	Post-Issue Shareholding % (adjusted as per face value)
(A) Narendra Singh Surana							
Upon Incorporation	10	10	10	Cash	Subscriber to MOA	0.00	[•]
March 31, 2001	1,01,520	10	10	Cash	Further Allotment	0.65	[•]
March 31, 2003	29,830	10	100	Cash	Further Allotment	0.19	[•]
June 30, 2003	1,67,100	10	10	Cash	Acquisition by way of Share Transfer ^{(a)*}	1.07	[•]
March 22, 2006	22,500	10	10	Cash	Acquisition by way of Share Transfer ^{(b)*}	0.14	[•]
March 28, 2008	12,500	10	10	Cash	Acquisition by way of Share Transfer ^{(c)*}	0.08	[•]
September 15, 2021	1,02,100	10	-	Other than Cash	Acquisition by way of Gift ^(d)	0.66	[•]
March 23, 2022	(1,36,016)	10	-	Other than Cash	Share Transfer by way of Gift ^(e)	(0.87)	[•]
August 27, 2024	89,86,320	10	-	Other than Cash	Bonus Issue in the ratio of 30:1	57.74	[•]
Total (A)	92,85,864					59.67	[•]
(B) Sudhansu Surana							
March 31, 2012	1,02,110	10	-	Cash	Acquisition by way of Share Transfer ^{(f)*}	0.66	[•]
September 09, 2021	(1,02,100)	10	-	Other than Cash	Share Transfer by way of Gift ^(g)	-0.66	[•]
March 23, 2022	99,838	10	-	Other than Cash	Acquisition by way of Gift ^(h)	0.64	[•]
August 27, 2024	29,95,440	10	-	Other than Cash	Bonus Issue in the ratio of 30:1	19.25	[•]
Total (B)	30,95,288					19.89	[•]

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(C) Avishkar Surana							
March 01, 2016	50,650	10	10	Cash	Acquisition by way of Share Transfer ⁽ⁱ⁾	0.33	[●]
March 05, 2018	10,000	10	10	Cash	Acquisition by way of Share Transfer ⁽ⁱ⁾	0.06	[●]
July 19, 2018	3020	10	10	Cash	Acquisition by way of Share Transfer ^(k)	0.02	[●]
March 23, 2022	36,178	10	-	Other than Cash	Acquisition by way of Gift ^(l)	0.23	[●]
August 27, 2024	29,95,440	10	-	Other than Cash	Bonus Issue in the ratio of 30:1	19.25	[●]
Total (C)	30,95,288					19.89	[●]
Grand Total (A+B+C)	1,54,76,440					99.44	[●]

Note: None of the Shares has been pledged by our Promoters.

**The Share Transfer is not available with the Company. These details have been inserted here based on information from the statutory registers and other records available with the company.*

- a) **Details of the acquisition of 1,67,100 equity shares by Narendra Singh Surana by way of share transfer dated June 30, 2003.**

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	June 30, 2003	M/s Pranam Enterprise	6,890
2		M/s Rishav Udyog	1,04,310
3		Zigma Software Ltd	39,000
4		M/s Prakash Electronics	16,900
		Total	1,67,100

- b) **Details of the acquisition of 22,500 equity shares by Narendra Singh Surana by way of share transfer dated March 22, 2006.**

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 22, 2006	M/s Sphinx Technology	22,500
		Total	22,500

- c) **Details of the acquisition of 12,500 equity shares by Narendra Singh Surana by way of share transfer dated March 28, 2008.**

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 28, 2008	M/s K.V. Enterprise	10,000
2.		Narang Leasing and Finance Ltd	2,500
		Total	12,500

- d) **Details of the acquisition of 1,02,100 equity shares by Narendra Singh Surana by way of Gift dated September 15, 2021.**

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Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	September 15, 2021	Sudhansu Surana	1,02,100
		Total	1,02,100

- e) Details of the share transfer by Narendra Singh Surana of 1,36,016 Equity shares by way of Gift dated March 23, 2022.

Sr. No.	Date of Transfer	Name of Transferee	No. of Shares Transferred
1.	March 23, 2022	Sudhansu Surana	99,838
2.		Avishkar Surana	36,178
		Total	1,36,016

- f) Details of the acquisition of 1,02,110 Equity shares by Sudhansu Surana by way of share transfer dated March 31, 2012.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 31, 2012	Kamal Pat Surana	1,02,110
		Total	1,02,110

- g) Details of the share transfer by Sudhansu Surana of 1,02,100 Equity shares by way Gift dated September 15, 2021.

Sr. No.	Date of Transfer	Name of Transferee	No. of Shares Transferred
1.	September 15, 2021	Narendra Singh Surana	1,02,100
		Total	1,02,100

- h) Details of the acquisition of 99,838 Equity shares by Sudhansu Surana by way of Gift dated March 23, 2022.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 23, 2022	Narendra Singh Surana	99,838
		Total	99,838

- i) Details of the acquisition of 50,650 Equity shares by Avishkar Surana by way of share transfer dated March 01, 2016.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 01, 2016	A Little World Private limited	10,650
2.		Coir Cushion Limited	25,000
3.		Ajay Kumar Agarwal	15,000
		Total	50,650

- j) Details of the acquisition of 10,000 Equity shares by Avishkar Surana by way of share transfer dated March 05, 2018.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 05, 2018	SAG Audiovision Private Limited	10,000
		Total	10,000

k) Details of the acquisition of 3,020 Equity shares by Avishkar Surana by way of share transfer dated July 19, 2018.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	July 19, 2018	Bimal Pat Surana	2,010
2.		Sunil Surana	1,010
		Total	3,020

l) Details of the acquisition of 36,178 Equity shares by Avishkar Surana by way of Gift dated March 23, 2022

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 23, 2022	Narendra Singh Surana	36,178
		Total	36,178

14. The average cost of acquisition of shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Narendra Singh Surana	92,85,864	0.65
2.	Sudhansu Surana	30,95,288	0.33
3.	Avishkar Surana	30,95,288	0.21

15. Shareholding of Promoters & Promoters Group

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoter and Promoter Group”:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoters				
1.	Narendra Singh Surana	92,85,864	59.67	92,85,864	[●]
2.	Sudhansu Surana	30,95,288	19.89	30,95,288	[●]
3.	Avishkar Surana	30,95,288	19.89	30,95,288	[●]
	Sub Total (A)	1,54,76,440	99.44	1,54,76,440	[●]
	Promoters Group				
4.	Narendra Singh Surana HUF	76880	0.49	76880	[●]
	Sub Total (B)	76880	0.49	76880	[●]
	Grand Total (A+B)	1,55,53,320	100	1,55,53,320	[●]

16. No Equity Shares were purchased/ sold by the Promoter and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

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

18. Details of Promoters’ Contribution Locked-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% 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.

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As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 1,54,76,440 Equity Shares constituting [●] of the Post – Issued, subscribed and paid-up Equity Shares Share Capital of our Company, which are eligible for the Promoters’ contribution.

Our Promoters, Narendra Singh Surana, Sudhansu Surana and Avishkar Surana, have given written consent to include 42,82,200 Equity Shares held by them as part of Promoters Contribution constituting [●] % of the post issue Equity Shares of our Company. Further, they have 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.

Date of Allotment/ Transfer and made fully Paid Up	No. of Equity Shares locked-in*	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
Narendra Singh Surana						
August 27, 2024	14,27,400	10	-	Acquisition by way of Bonus Issue (30:1)	[●]	3 years
Sudhansu Surana						
August 27, 2024	14,27,400	10	-	Acquisition by way of Bonus Issue (30:1)	[●]	3 years
Avishkar Surana						
August 27, 2024	14,27,400	10	-	Acquisition by way of Bonus Issue (30:1)	[●]	3 years

*Assuming full subscription to the Issue.

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, 2018 and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations, 2018 i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

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

Eligibility of Share for “Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

Reg. No.	Promoters’ Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter’s Contribution
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The minimum Promoter’s contribution does not consist of such Equity Shares. <u>Hence Eligible</u>
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. <u>Hence Eligible</u>
237(1)(b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter’s contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>
237(1)(c)	Specified securities allotted to promoters 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 promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters 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. <u>Hence Eligible.</u>
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. <u>Hence Eligible.</u>

Details of Promoters’ Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue Equity Shares share capital constituting 1,12,81,040 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, 2018, the Equity Shares which are subject to lock-in shall carry inscription ‘**non-transferable**’ along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
19. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.
20. As on the date of this Draft Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid-up Equity shares.
21. The BRLM i.e., Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
22. As on the date of this Draft Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
23. We have 8 (Eight) shareholders as on the date of filing of this Draft Red Herring Prospectus.
24. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
25. Our Company has not raised any bridge loan against the proceeds of the Issue.
26. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.
27. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
28. An over-subscription to the extent of 1% of the Issue subject to the maximum post issue paid up capital of Rs. 25 cr. can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the 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 the Promoters and subject to 3-year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. 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 a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines. Under-subscription, if any, in the QIB Category will not be allowed to be met with spill over from any category or combination thereof.

30. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
31. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
32. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
33. There are no Equity Shares against which depository receipts have been issued.
34. Other than the Equity Shares, there is no other class of securities issued by our Company.
35. There are no safety net arrangements for this public issue.
36. As per RBI regulations, OCBs are not allowed to participate in this issue.
37. Our Promoter and Promoter Group will not participate in this Issue.
38. This Issue is being made through Book Building Method.
39. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
40. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
41. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Red Herring Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of upto 55,68,000 Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects:

1. Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit
2. To Meet Working Capital Requirement
3. General Corporate Purpose

(Collectively referred as the “Objects”)

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

Net Proceeds

The details of the Net Proceeds are set forth below:

		(₹ in Lakhs)
Particulars		Amount
Gross Proceeds of the Issue		[●]
Less: Issue related expenses in relation to Issue		[●]
Net Proceeds		[●]

Requirement of Funds and Utilization of Net Proceeds

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

			(₹ in Lakhs)
S. No.	Particulars		Amount
1.	Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit		2160.90
2.	To Meet Working Capital Requirement		-
3.	General Corporate Purpose		[●]
	Total		[●]

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

Means of Finance

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

			(₹ in Lakhs)
Sr. No	Particulars		Amount
1.	Net Issue Proceeds		[●]
	Total		[●]

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

Subject to applicable law, if the actual utilization towards the Objects is lower than the proposed deployment, such balance will be used for 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 in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising the requisite capital from the Net Proceeds or an increase in the total estimated cost of the

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Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purpose set forth above, increased funding requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in the Fresh Issue. Any variation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company. The Objects may be varied in the manner provided in “**Objects of the Issue – Variation in Objects**” on page 93 of this Draft Red Herring Prospectus. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

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

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “**Risk Factors**” beginning on page 28 of this Draft Red Herring Prospectus.

Details of Utilization of Net Proceeds

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

1. Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit

We provide manufacturing engineering solutions, alongwith product designing, software development and embedded engineering services tailored for various industries such as Automotive Industry, White Goods industry, IT Industry, Manufacturing Industry etc. Our manufacturing engineering solutions comprise of BIW (Body in white) fixture designing & robotic simulation, designing of special purpose machineries, BIW die designing and control electrical engineering services. Under product designing, we provide both Onsite & offsite Product designing services to our customers along with designing of prototypes through our production vendor.

As a part of our strategy, we intend to set up a new manufacturing unit for prototype development, for which we intend to utilize a part of the Net Proceeds amounting to Rs. 2160.90 Lakhs. We have entered into Memorandum of Undertaking dated August 14, 2024, with Jemco Engineering Private Limited, for the purpose of taking said manufacturing unit on rent, which measures 5000 sq. feet. and will be used for Prototype Development. Such Memorandum of Undertaking will be effective from December 01, 2024 for the period of 11 Months. The proposed manufacturing unit is envisaged to be set up at A-41, Sector-8, Gautam Budhha Nagar, Nodia -201301, Uttar Pradesh, India.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds, for setting up of manufacturing unit, as described herein are based on our current business plan, current and valid quotations from suppliers, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution or any other independent agency.

Company proposes to acquire plant and machinery at an estimated cost of Rs. 2160.90 Lakhs. Company has identified the type of plant and machinery to be purchased for the proposed manufacturing unit and obtained quotation from various vendors but we are yet to place order for 100% of the plant and machinery. Company undertakes to file necessary applications with the relevant authorities to obtain all approvals, as applicable at the relevant stages.

The detailed of plant & machinery to be acquired by our Company is provided below:

(₹ in lakhs)					
Date of Quotation	Name of Machinery	Supplier Name	Valid Upto	No. of Machinery	Estimated Cost*
May 2, 2024	HAAS Special Package offer for VMC model VF-4-I	Phillips Machine Tools India Pvt. Ltd.	6 Months	4	270.91

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Date of Quotation	Name of Machinery	Supplier Name	Valid Upto	No. of Machinery	Estimated Cost*
May 2, 2024	HAAS Special Package offer for VMC model VF-4-I with Rotary Table	Phillips Machine Tools India Pvt. Ltd.	6 Months	1	84.41
May 2, 2024	HAAS Offer for 5 Axes VMC model UMC-750	Phillips Machine Tools India Pvt. Ltd.	6 Months	1	157.98
July 9, 2024	HP JET FUSION 5200 3D PRINTER	Redington Ltd	31-10-2024	1	423.17
July 8, 2024	4DS Smart One Plus FGF/FDM 3D Printer	Adroitec Information Systems Private Limited	120 days	1	14.90
July 8, 2024	Stratasys SAF H 350- 3D printer	Adroitec Information Systems Private Limited	120 days	1	376.64
July 8, 2024	J55 PolyJet 3D Printer	Adroitec Information Systems Private Limited	120 days	1	125.00
July 8, 2024	Stratasys J850 Prime Polyjet 3D Printer	Adroitec Information Systems Private Limited	120 Days	1	505.79
July 9, 2024	JFC-3015 CNC Cutting Machine	Jiatai International Company India	4 Months	1	30.25
July 9, 2024	CNC Bending for Sheet Metal	S.N. Enterprises	4 Months	1	20.85
July 10, 2024	CNC Roll Grinding Machine	Prime Machine Tools	30-11-2024	1	70.00
July 13, 2024	Lodestar3D SLA 1000 3 D Printer	Lodestar Innovations Private Limited	30-11-2024	1	81.00
	Total				2160.90

As per Quotation received from Supplier

The Quotation was received in US\$ (Source – (1 US\$ = 83.49 INR) www.xe.com dated September 20, 2024)

Notes:

- a) Quotation received from the vendor mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the Machinery or other works at the same costs. If there is any increase in the costs, the additional costs shall be paid by our Company from its internal accruals see **“Risk Factor– “If there are delays in setting up the Proposed manufacturing unit or if the costs of setting up and the possible time or cost overruns related to the Proposed manufacturing unit or the purchase of plant and machinery for the Proposed manufacturing unit are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.”** on page 28 of this Draft Red Herring Prospectus.
- b) All cost are based on the present estimates of management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or change of machineries or any modification/addition/deletion) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other equipments or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost for the aforesaid purpose, the same will be used for general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- c) Our Company proposes to deploy the entire Net Proceeds towards the Objects. If the Net Proceeds are not utilized (in full or in part) for the Objects of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.
- d) We are not acquiring any second-hand machinery.
- e) The quotations relied upon by us in arriving at the above estimated cost (which is excluding applicable taxes) are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be

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a possible escalation in the cost of machinery proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost could be escalated on account of freight expenses, installation charges, packaging & forwarding, exchange rate fluctuations, custom duty etc. Such cost escalation would be met out of our internal accruals.

- f) The total cost involved in setting up of such manufacturing unit has been estimated by our management and is based on the quotations received from third party suppliers/ contractors and certified by Alok Kumar Gupta, Chartered Engineers, vide their certificate dated September 28, 2024.

Other confirmations relating to the proposed expansion:

Estimation of the cost of setting up of new manufacturing unit has been derived and provided by the certified by Alok Kumar Gupta, Chartered Engineers vide their certificate dated September 28, 2024. Any escalation in cost of machinery to be purchased, will be met from Internal Accruals of our Company. Machinery is to be imported from outside India, payment of which will be made by our Company in Indian Rupee.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed acquisition of the machinery or in the entities from whom we have obtained quotation in relation to such activities. Our Company has confirmed that such entities do not form part of our Promoter Group or Group Company.

The proposed Schedule of Implementation for setting up of a new manufacturing unit is as follows:

Particular	Estimated month of	
	Commencement	Completion
Order of Machinery	December, 2024	
Delivery of Machinery	January, 2025	
Installation of Machinery	February, 2025	
Trial Run	March, 2025	
Commercial Operation	April, 2025	

As certified by Alok Kumar Gupta, Chartered Engineers, vide their certificate dated September 28, 2024

2. To Meet Working Capital Requirement

Our business requires working capital majorly for investment in trade receivables, inventories and payment to trade payables and funding day to day operations. The Company will meet the requirement to the extent of ₹[●] from the Net Proceeds of the Issue and balance from borrowings at an appropriate time.

With the expansion of the business the company, we will be in the need of additional working capital requirements. The major capital will be invested in the trade receivables, inventories and payment to trade payables and funding day to day operations. The Company will meet the requirement to the extent of ₹[●] Lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirement. Details of Estimation of Working Capital requirement are as follows:

(Rs. In Lakhs)					
S. No.	Particulars	Audited (Restated Financials)			Estimated
		March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
I	Current Assets				
	Inventory	1.44	1.03	0.80	2.00
	Trade Receivables	906.82	1,473.76	2,166.98	2,531.21
	Cash and bank balances	103.82	52.28	58.54	61.46
	Short Term Loans & Advances	235.09	241.88	317.79	389.67
	Other current assets	8.21	394.74	314.84	330.58
	Total (A)	1,255.38	2,163.68	2,858.95	3,314.93
II	Current Liabilities				
	Trade payables	131.68	356.70	310.40	325.92
	Other current liabilities	97.97	97.51	226.61	102.38
	Short-term provisions	464.25	659.17	741.12	889.34
	Total (B)	693.89	1,113.39	1,278.13	1,317.65

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S. No.	Particulars	Audited (Restated Financials)			Estimated
		March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
III	Total Working Capital Gap (A-B)	561.49	1,050.30	1,580.82	1,997.28
IV	Funding Pattern				
	Short Term Borrowings & Internal accruals	561.49	1,050.30	1,580.82	[●]
	IPO Proceeds				[●]

Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, as well as estimated for financial year ended March 31, 2025

Particulars	Unit	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
		Audited (Restated)			Estimated
Debtors	Days	49	58	84	93
Creditors	Days	47	58	107	84
Inventories	Days	19	1	1	1

Justification:

Debtors	The historical holding days of trade receivables has been ranging between 49 days to 84 days during Fiscal year 2022 to 2024. As per the current credit terms and in order to expand company's operations, the holding level for debtors is anticipated at 93 days of total revenue from operations during Fiscal 2024-25. The projected increase in trade receivables days is a strategic decision aimed at fostering higher sales growth. By offering this flexibility, we expect to stimulate increased sales volume and foster stronger customer relationships. We are planning to set up an additional manufacturing unit for designing of Prototypes. Such manufacturing set up will generate higher revenue from operations and we will be required to offer extended credit periods to our customers, allowing them more time to settle their invoices and capture larger customer base in the industry. By offering this flexibility, we expect to stimulate increased sales volume and foster stronger customer relationships. This adjustment aligns with our strategy to expand operations while ensuring financial sustainability.
Creditors	Past trend of Trade payables holding days has been in the range of 47 days to 107 days approximately during Fiscal 2022 to 2024. However, with additional working capital funding, our Company intends to reduce trade payable to 84 days in Fiscal 2024-25 to avail competitive purchase price to increase overall profitability of our Company. By reducing the time, to settle our payables we aim to negotiate more favourable terms and conditions with our suppliers, enabling us to access competitive pricing for the goods we procure.
Inventories	Inventories include inventory for finished goods. The historical holding days of inventories has been in range of 01 days to 19 days during Fiscal 2022 to 2024.

The increase in working capital requirements is driven by the company's expansion initiatives, particularly in setting up new manufacturing unit, as well as strategic efforts to optimize working capital management through the utilization of IPO funds. These measures are aimed at supporting its growth trajectory, enhancing operational efficiency, and maximizing shareholder value.

3. General Corporate Purpose

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

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not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any offer related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual offer expenses turn to be lesser than the estimated offer expenses of ₹ [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Draft Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this issue.

Public Issue Expenses

The total expenses for this Issue are estimated to be approximately Rs. [●] Lakhs, which is [●] % of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

Particulars	Estimated expenses (Rs. in Lakhs)*	As a % of total estimated Issue related expenses	As a % of the total Issue Size
Book Running Lead Manger fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others, if any (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, depositories, secretarial, advisors, consultancy, peer review auditors, Processing Fees*, Underwriting fees and Miscellaneous Expenses)	[●]	[●]	[●]
Total Estimated Issue Expenses	[●]	[●]	[●]

*Issue expenses will be finalized on determination of Issue Price and incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

(1) Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.

(2) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders. Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows

Portion for Retail Individual Bidders*	[●] % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●] % of the Amount Allotted* (plus applicable taxes)

*Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE

(3) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders	[●] per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Bidders	[●] per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed [●] (plus applicable taxes) and in case if the total processing fees exceeds [●] (plus applicable taxes) then processing fees will be paid on pro-rata basis.

(4) The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	[●] per valid application (plus applicable taxes)
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Sponsor Bank - [●]	[●] per valid Bid cum Application Form* (plus applicable taxes) 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, the Syndicate Agreement and other applicable laws.
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**For each valid application by respective Sponsor Bank*

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by RIBs (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds [●] (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

(5) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	[●] % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	[●] % of the Amount Allotted* (plus applicable taxes)

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing would be as follows:

Portion for Retail Individual Bidders*	[●] per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●] per valid application (plus applicable taxes)

** Based on valid applications*

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed [●] (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds [●] (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the Bid cum Application Form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the Bid cum Application Form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and/or Escrow and Sponsor Bank Agreement. Further, 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.

Proposed Schedule of Implementation:

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

		(₹ In Lakhs)
Sr. No.	Particulars	F.Y. 2024-25
1.	Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit	2160.90
2.	To Meet Working Capital Requirement	[●]
3.	General Corporate Purpose	[●]
	Total	[●]

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

Appraisal

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

Shortfall of Funds

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

Bridge Financing Facilities

As on the date of this Draft Red Herring Prospectus, we have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds. However, in case of delay in the IPO and consequent delay in accessing the net proceeds of the Issue, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit / term loan facility with our lenders or through unsecured loans to finance setting up of facilities as described in the section 'Objects of the Issue' until completion of the Issue. Any amount that is drawn down from such facility availed from any Bank/NBFC or Financial Institution or through unsecured loans during this period to finance 'Objects of the Issue' will be repaid from the Net Proceeds of the Issue.

Monitoring Utilization of Funds

As the size of the Issue will not exceed ₹10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

Interim Use of Proceeds

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

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

Variation in Objects

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

Other confirmations

There are no material existing or anticipated transactions with our Promoters, our Directors and our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds.

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 of the Company**” beginning on page 28, 112 and 156 respectively of this Draft 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.

Price Band/ 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 ₹10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

QUALITATIVE FACTORS

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

- a) Geographical Presence in Growing Markets
- b) Diversified range of customers across various industries.
- c) Strong Portfolio of diverse range of services
- d) Experienced Promoters, senior management and skilled employees

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 112 of this Draft 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 of the Company**” on page 156 of this Draft 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 ₹10 each):

As per the Restated Financial Statements: -

Sr. No	F.Y./Period	Basic & Diluted (₹)	Weights
1	Financial Year ending March 31, 2024	4.71	3
2	Financial Year ending March 31, 2023	4.11	2
3	Financial Year ending March 31, 2022	1.96	1
	Weighted Average	4.05	6

Notes:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The face value of each Equity Share is ₹10.00.
- iii. Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- v. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period
- vi. Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹[●] to ₹[●] per Equity Share of Face Value of ₹10/- 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 period ending March 31, 2024	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

Sphinx Worldbiz Limited

Industry P/E Ratio*	(P/E) Ratio
Highest (Axiscades Technologies Limited)	75.25
Lowest (Mold-tek Technologies Limited)	24.01
Industry Average	42.52

* For the purpose of industry, we have considered those companies which are engaged in the similar line of business segment as of our Company, however, they may not be exactly comparable in terms of product portfolio or the size of our Company. The peers have been included for the purpose of broad comparison.

Note:

- i) The P/E ratio of our Company has been computed by dividing Issue Price with EPS.
- ii) P/E Ratio of the peer company is based on the Audited Results for the F.Y. 2023-24 and stock exchange data dated September 27, 2024

3. Return on Net worth (RoNW)

Sr. No	Period	RONW (%)	Weights
1	Period ending March 31, 2024	26.05%	3
2	Period ending March 31, 2023	30.70%	2
3	Period ending March 31, 2022	21.12%	1
	Weighted Average	26.78%	6

Note:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period
- iii. Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

4. Net Asset Value (NAV) per Equity Share:

Sr. No.	NAV per Equity Share	(Amount in ₹)
1.	As at March 31, 2022	9.27
2.	As at March 31, 2023	13.38
3.	As at March 31, 2024	18.09
4.	NAV per Equity Share after the Issue	
	a) at Floor Price	[●]
	b) at Cap Price	[●]
5.	Issue Price	[●]

*The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year.

Notes:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. NAV per share=Restated Net worth at the end of the year divided by weighted average number of equity shares outstanding at the end of the year/period
- iii. Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- iv. Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

5. Comparison of Accounting Ratios with Industry Peers

Name of Company	Current Market Price (₹)	Face Value	EPS	PE	RoNW (%)	Book Value (₹)	Total Income (₹ In lakhs)
			Basic/Diluted				
Sphinx Worldbiz Limited	[●]	10	4.71	[●]	26.05%	18.09	8541.80
Peer Group							
Mold-Tek Technologies Limited	233.37	2	9.72	24.01	22.89%	42.85	16,317.46
Onward Technologies Limited	419.25	10	14.81	28.31	16.37%	91.98	47,966.41
Axiscades Technologies Limited	582.45	5	7.74	75.25	5.65%	141.07	96,505.78

Notes:

- (i) Source – All the financial information for listed industry peers mentioned above is sourced from the Annual Reports of the aforesaid companies for the year ended March 31, 2024 to compute the corresponding financial ratios. Further, P/E Ratio is based on the current market price of the respective scrips dated September 27, 2024.
- (ii) The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the Financial Year 2023-24.
- (iii) NAV per share is computed as the closing net worth divided by the weighted average number of paid-up equity shares as on March 31, 2024.
- (iv) RoNW has been computed as net profit after tax divided by closing net worth.
- (v) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- (vi) The face value of Equity Shares of our Company is ₹10/- per Equity Share and the Issue price is [●] times the face value of equity share.

6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 25, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years' period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s S.R. Goyal & Co., Chartered Accountants, by their certificate dated September 25, 2024.

The KPIs of our Company have been disclosed in the sections titled “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators**” on pages 112 and 206, respectively. We have described and defined the KPIs as applicable in “**Definitions and Abbreviations**” on page 1 of this Draft Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Key Performance Indicators of our Company

(₹In Lakhs except percentages and ratios)

Key Financial Performance	For the financial year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations ⁽¹⁾	7,913.45	7,477.93	4,972.44
EBITDA ⁽²⁾	626.03	758.48	442.50
EBITDA Margin ⁽³⁾	7.91%	10.14%	8.90%
Profit After Tax (PAT) ⁽⁴⁾	733.10	639.44	304.79
PAT Margin ⁽⁵⁾	9.26%	8.55%	6.13%
ROE ⁽⁶⁾	29.94%	36.27%	25.47%
ROCE ⁽⁷⁾	28.77%	33.46%	20.66%
Net Worth ⁽⁸⁾	2814.73	2082.71	1443.27

Notes:

- ⁽¹⁾ Revenue from operation means revenue from sales, service and other operating revenues
- ⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
- ⁽³⁾ EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- ⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses
- ⁽⁵⁾ PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- ⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

Sphinx Worldbiz Limited

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

⁽⁸⁾ Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Preliminary Expenses to the extent not written-off

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peer: (₹In Lakhs except percentages and ratios)

Key Financial Performance	Sphinx Worldbiz Limited			Mold-Tek Technologies Limited		
	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	7,913.45	7,477.93	4,972.44	14,617.23	13,325.86	9,835.34
EBITDA ⁽²⁾	626.03	758.48	442.50	4,196.44	4,225.56	1,988.20
EBITDA Margin (%) ⁽³⁾	7.91%	10.14%	8.90%	28.71%	31.71%	20.21%
PAT ⁽⁴⁾	733.10	639.44	304.79	2,784.90	2,926.75	1,329.93
PAT Margin (%) ⁽⁵⁾	9.26%	8.55%	6.13%	19.05%	21.96%	13.52%
RoE(%) ⁽⁶⁾	29.94%	36.27%	25.47%	24.71%	33.19%	19.88%
RoCE (%) ⁽⁷⁾	28.77%	33.46%	20.66%	31.25%	38.05%	25.29%

(₹In Lakhs except percentages and ratios)

Key Financial Performance	Axiscades Technologies Limited			Onward Technologies Limited		
	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	95512.05	82,162.21	61,030.59	47,239.17	44,092.83	30,726.87
EBITDA ⁽²⁾	12,910.70	7,396.10	6,166.45	5,220.01	2,929.03	2,140.92
EBITDA Margin (%) ⁽³⁾	13.52%	9.00%	10.10%	11.05%	6.64%	6.97%
PAT ⁽⁴⁾	3,340.94	(479.82)	2,267.91	3,391.77	1,148.01	2,368.40
PAT Margin (%) ⁽⁵⁾	3.50%	-0.58%	3.72%	7.18%	2.60%	7.71%
RoE(%) ⁽⁶⁾	7.14%	-1.41%	7.09%	17.80%	6.81%	19.93%
RoCE (%) ⁽⁷⁾	15.09%	10.37%	13.56%	22.45%	11.30%	20.06%

Notes:

⁽¹⁾ Revenue from operation means revenue from sales, service and other operating revenues

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses

⁽⁵⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}

8. Weighted average cost of acquisition**a) The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities)**

There has been no issuance of Equity Shares other than Equity Shares issued pursuant to a bonus issue on August 27, 2024 during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the 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 30 days.

b) The price per share of our Company based on the secondary sale/ acquisition of shares (equity shares)

There have been no secondary sale/ acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the 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.

c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter/ Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

Primary Transaction

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable (₹))	Nature of Consideration	Nature of Allotment	Total Consideration (Amount in Rs. Lakhs)
August 27, 2024	1,50,61,200	10	-	Other than Cash	Bonus Issue in the ratio of 30:1	Nil

Secondary Transaction

Date of Transferor	Name of Transferor	Name of Transferee	No of Equity Shares	Price Per Equity Shares	Nature of Transaction	Total Consideration (Amount in Rs. Lakhs)
March 23, 2022	Narendra Singh Surana	Sudhansu Surana	99,838	Nil	By Way of Gift	Nil
		Avishkar Surana	36,178	Nil		Nil

Weighted average cost of acquisition & Issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	NA [^]	NA [^]	NA [^]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA ^{^^}	NA ^{^^}	NA ^{^^}
Weighted average cost of acquisition of primary issuances/ secondary transactions as per paragraph 8(c) above	Nil	Nil	Nil

Note:

^There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) above, in last 18 months from the date of this Draft Red Herring Prospectus.

^^There were no secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of this Draft Red Herring Prospectus.

** To be updated at Prospectus stage.*

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Delhi edition of regional newspaper [●] where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with “***Our Business***”, “***Risk Factors***” and “***Restated Financial Statements***” on pages 112, 28 and 156 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “***Risk Factors***” or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors,
Sphinx Worldbiz Limited
A-27B, Sector-16, Gautam Buddha Nagar,
Noida, Uttar Pradesh- 201301

Dear Sirs,

Sub: Statement of Tax Benefits (“The Statement”) available to Sphinx Worldbiz 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 Sphinx Worldbiz Limited, states the special 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 special 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.

Limitations:

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 Offer Document/ Offer Document 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.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Yours faithfully,
For, S R Goyal & Co.
Chartered Accountants
Firm Registration No.: 001537C

Sd/-

A. K. Atolia

Partner

M. No. 077201

Place: Jaipur

Date: September 25, 2024.

UDIN: 24077201BKEQGH2794

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:

Under the Income Tax Act, 1961 (“the Act”)

Special tax benefits available to the Company

- The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:

- The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

NOTES:

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax (“MAT”) under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act: -

- ✓ Deduction under the provisions of Section 10AA.
- ✓ Deduction under clause (iia) of sub- section (1) of Section 32 (additional depreciation).
- ✓ Deduction under section 32AD or Section 33AB or Section 33ABA
- ✓ Deduction under section 35AD or Section 35CCC
- ✓ Deduction under section 80G

Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax (“MAT”) credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

The Company has evaluated and decided not to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability.

6. This Annexure is intended only 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 tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
7. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The 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.

For, S R Goyal & Co.

Chartered Accountants

Firm Registration No.: 001537C

SD/-

A. K. Atolia

Partner

M. No. 077201

Place: Jaipur

Date: September 25, 2024.

UDIN: 24077201BKEQGH2794

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

GLOBAL ECONOMIC OVERVIEW:

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge—despite its severity and the associated cost-of-living crisis—did not trigger uncontrolled wage-price spirals. Instead, almost as quickly as global inflation went up, it has been coming down.

On a year-over-year basis, global growth bottomed out at the end of 2022, at 2.3 percent, shortly after median headline inflation peaked at 9.4 percent. According to our latest projections, growth for 2024 and 2025 will hold steady around 3.2 percent, with median headline inflation declining from 2.8 percent at the end of 2024 to 2.4 percent at the end of 2025. Most indicators point to a soft landing.

Economic activity was surprisingly resilient through the global disinflation of 2022–23. As global inflation descended from its mid-2022 peak, economic activity grew steadily, defying warnings of stagflation and global recession. Growth in employment and incomes held steady, reflecting supportive demand developments— including greater-than-expected government spending and household consumption—and a supply-side expansion amid, notably, an unanticipated boost to labor force participation. The unexpected economic resilience, despite significant central bank interest rate hikes aimed at restoring price stability, also reflects the ability of households in major advanced economies to draw on substantial savings accumulated during the pandemic. Changes in mortgage and housing markets over the prepandemic decade of low interest rates moderated the near-term impact of policy rate hikes. As inflation converges toward target levels and central banks pivot toward policy easing in many economies, a tightening of fiscal policies aimed at curbing high government debt, with higher taxes and lower government spending, is expected to weigh on growth.

Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The forecast for 2024 is revised up by 0.1 percentage point from the January 2024 World Economic Outlook (WEO) Update, and by 0.3 percentage point from the October 2023 WEO. The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine; weak growth in productivity; and increasing geoeconomic fragmentation. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. The latest forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. The pace of convergence toward higher living standards for middle- and lower-income countries has slowed, implying a persistence in global economic disparities. The relatively weak medium-term outlook reflects lower growth in GDP per person stemming, notably, from persistent structural frictions preventing capital and labor from moving to productive firms.

Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labor markets are still tight, raise interest rate expectations and reduce asset prices. A divergence in disinflation speeds among major economies could also cause currency movements that put financial sectors under pressure. High interest rates could have greater cooling effects than envisaged as fixed-rate mortgages reset and households contend with high debt, causing financial stress. In China, without a comprehensive response to the troubled property sector, growth could falter, hurting trading partners. Amid high government debt in many economies, a disruptive turn to tax hikes and spending cuts could weaken activity, erode confidence, and sap support for reform and spending to reduce risks from climate change. Geoeconomic fragmentation could intensify, with higher barriers to the flow of goods, capital, and people implying a supply-side slowdown. On the upside, looser fiscal policy than necessary and assumed in projections could

raise economic activity in the short term, although risking more costly policy adjustment later on. Inflation could fall faster than expected amid further gains in labor force participation, allowing central banks to bring easing plans forward. Artificial intelligence and stronger structural reforms than anticipated could spur productivity.

As the global economy approaches a soft landing, the near-term priority for central banks is to ensure that inflation touches down smoothly, by neither easing policies prematurely nor delaying too long and causing target undershoots. At the same time, as central banks take a less restrictive stance, a renewed focus on implementing medium-term fiscal consolidation to rebuild room for budgetary maneuver and priority investments, and to ensure debt sustainability, is in order. Cross-country differences call for tailored policy responses. Intensifying supply-enhancing reforms would facilitate inflation and debt reduction, allow economies to increase growth toward the higher prepandemic era average, and accelerate convergence toward higher income levels. Multilateral cooperation is needed to limit the costs and risks of geoeconomics fragmentation and climate change, speed the transition to green energy, and facilitate debt restructuring.

Growth Forecast for Emerging Market and Developing Economies

In emerging market and developing economies, growth is expected to be stable at 4.2 percent in 2024 and 2025, with a moderation in emerging and developing Asia offset mainly by rising growth for economies in the Middle East and Central Asia and for sub-Saharan Africa. Low-income developing countries are expected to experience gradually increasing growth, from 4.0 percent in 2023 to 4.7 percent in 2024 and 5.2 percent in 2025, as some constraints on near-term growth ease.

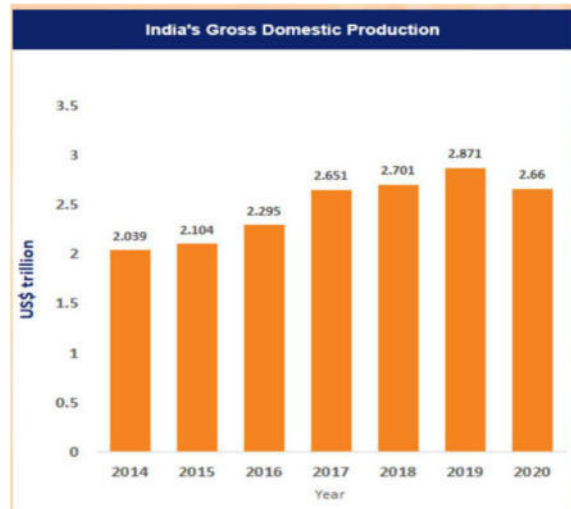
- Growth in emerging and developing Asia is expected to fall from an estimated 5.6 percent in 2023 to 5.2 percent in 2024 and 4.9 percent in 2025, a slight upward revision compared with the January 2024 WEO Update. Growth in China is projected to slow from 5.2 percent in 2023 to 4.6 percent in 2024 and 4.1 percent in 2025 as the positive effects of one-off factors—including the post pandemic boost to consumption and fiscal stimulus—ease and weakness in the property sector persists. Growth in India is projected to remain strong at 6.8 percent in 2024 and 6.5 percent in 2025, with the robustness reflecting continuing strength in domestic demand and a rising working-age population.
- Growth in emerging and developing Europe is projected at 3.2 percent in 2023 and 3.1 percent in 2024, with an easing to 2.8 percent in 2025, an upward revision of 0.5 percentage point for 2023 and 0.3 percentage point for 2024 and 2025 since January. The moderation reflects a prospective decline of growth in Russia from 3.2 percent in 2024 to 1.8 percent in 2025 as the effects of high investment and robust private consumption, supported by wage growth in a tight labor market, fade. In Türkiye, growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with economic activity strengthening in the second half of 2024 as monetary tightening ends and consumption starts to recover.
- In Latin America and the Caribbean, growth is projected to decline from an estimated 2.3 percent in 2023 to 2.0 percent in 2024 before rising again to 2.5 percent in 2025, an upward revision of 0.1 percentage point for 2024 since January. In Brazil, growth is expected to moderate to 2.2 percent in 2024 on the back of fiscal consolidation, lagged effects of still-tight monetary policy, and a smaller contribution from agriculture. In Mexico, growth is projected at 2.4 percent in 2024, supported by a fiscal expansion, before declining to 1.4 percent in 2025 as the government is expected to tighten the fiscal stance. The forecast for Mexico is revised downward on account of weaker-than-expected outcomes for end-2023 and early 2024, with a contraction in manufacturing.
- Growth in the Middle East and Central Asia is projected to rise from an estimated 2.0 percent in 2023 to 2.8 percent in 2024 and 4.2 percent in 2025, with a downward revision of 0.1 percentage point for 2024 from the January 2024 projections. The revision reflects a downward adjustment in the 2024 growth forecast for Iran driven by lower non-oil activity and oil revenues, as well as for a number of smaller economies.
- In sub-Saharan Africa, growth is projected to rise from an estimated 3.4 percent in 2023 to 3.8 percent in 2024 and 4.0 percent in 2025, as the negative effects of earlier weather shocks subside and supply issues gradually improve. The forecast is unchanged for 2024 from the January 2024 WEO Update, as a downward revision to Angola owing to a contraction in the oil sector is broadly offset by an upward revision to Nigeria.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

OVERVIEW OF THE INDIAN ECONOMY:

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as

compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.



Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback. India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

MARKET SIZE

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index. According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports. Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.

- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.

GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.

ROAD AHEAD:

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

SERVICES INDUSTRY IN INDIA

The services industry performed well in H2:2022-23, boosted by contact-intensive services and building activities. India's IT and business services market is projected to reach US\$ 19.93 billion by 2025. The PMI services reduced in April 2024, to reach at 60.8. PMI for services continued to expand, but at a slower pace. With the fastest growing (9.2%) service sector globally, the sector accounts for a 66% share of India's GDP and generates about 28% of the total employment in India.

RECENT INVESTMENTS/ DEVELOPMENTS

Some of the investments/ developments in the services sector in the recent past are as follows:

- The Indian services sector was the largest recipient of FDI inflows worth US\$ 109 billion between April 2000-March 2024.
- According to the Ministry of Commerce and Industry, the service sector received US\$ 6. billion in equity inflows in FY24.
- According to RBI's Scheduled Banks' Statement, deposits of all scheduled banks collectively surged by a whopping Rs. 2.04 lakh crore (US\$ 2,452 billion) for FY24.
- India's telephone subscriber base stood at 1,199.28 million as of March 2024.
- At the end of December 2023, the top five service providers controlled 98.35% of the total broadband subscribers. These service providers were Reliance Jio Infocom Ltd stood at 470.19 million, followed by Bharti Airtel 264.76 million, Vodafone Idea 127.29 million, BSNL 25.12 million and Atria Convergence 2.23 million.
- Since the launch of the Startup India initiative in 2016, DPIIT has recognized 122, 943 entities as startups as of February 2024.
- As per report by BCG, by 2030, the fintech sector is expected to reach a value of US\$ 1.5 trillion. The Asia-Pacific region is set to surpass the US, emerging as the leading global fintech market by the same year.
- India took the lead with the fintech adoption rate of 87%, substantially higher than the world average of 64%.
- According to the IVCA-EY monthly PE/VC roundup, October 2022 recorded investments worth US\$ 3.3 billion across 75 deals, including six large deals worth US\$ 2.2 billion. Exits were recorded at US\$ 1.6 billion across 15 deals in October 2022.
- In June 2022, HCL Technologies (HCL), a leading global technology company, announced the opening of its new 9,000 sq. ft. delivery centre in Vancouver, Canada. The new centre will significantly expand its presence in the country to serve clients primarily in the HiTech industry.
- The IT-BPM sector holds the potential to grow between 10-15% per annum. The IT and fintech segments provide over US\$ 155 billion in gross value to the economy annually.
- The IT and business services market will grow at a CAGR of 8.3% between 2021-26, reaching a US\$ 20.5 billion valuation by the end of 2026.

ROAD AHEAD

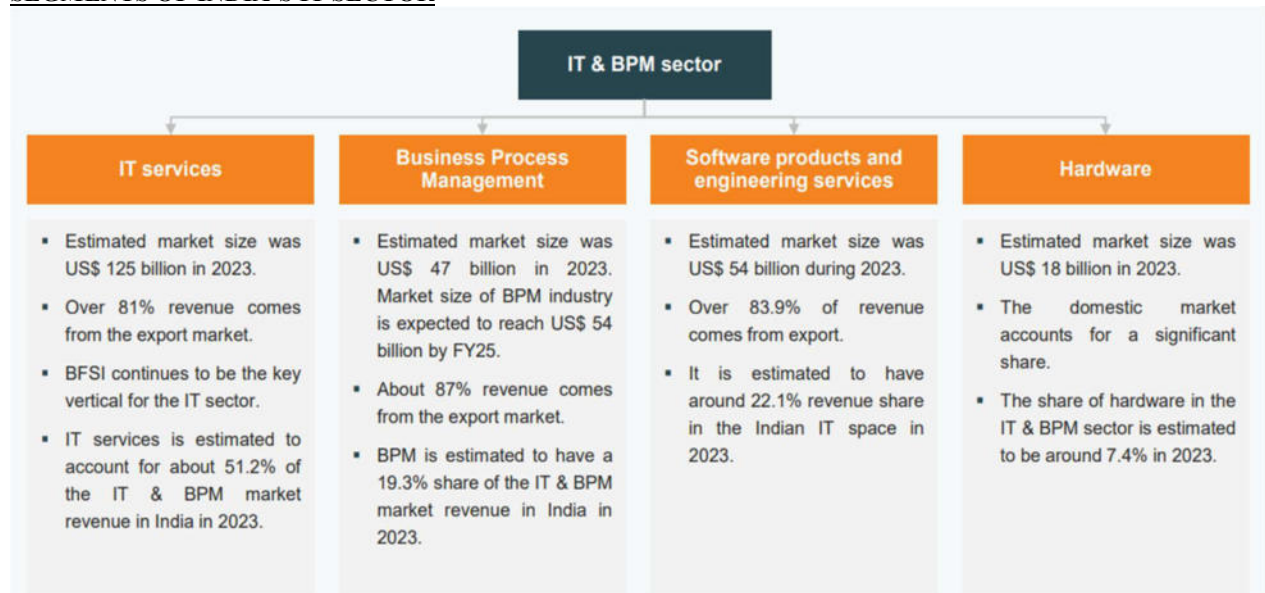
Both domestic and global factors influence the growth of the services sector. An extensive range of service industries has experienced double-digit growth in recent years, supported by digital technologies and institutional frameworks made possible by the government. The ease of doing business in India has significantly increased for domestic and foreign firms due to considerable advancements in culture and the government outlook. Due to ongoing changes in the areas of lowering trade barriers, easing FDI regulations, and deregulation, India's services sector is poised to grow at a healthy rate in the coming years. Over the next 10 years, the National Digital Health Blueprint can unlock the incremental economic value of over US\$ 200 billion for the healthcare industry in India.

India's digital economy is estimated to reach US\$ 1 trillion by 2025. By the end of 2023, India's IT and business services sector is expected to reach US\$ 14.3 billion with 8% growth. The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the

long run on account of the availability of GST input credit, which will result in a reduction in the prices of services. India's software service industry is expected to reach US\$ 1 trillion by 2030.

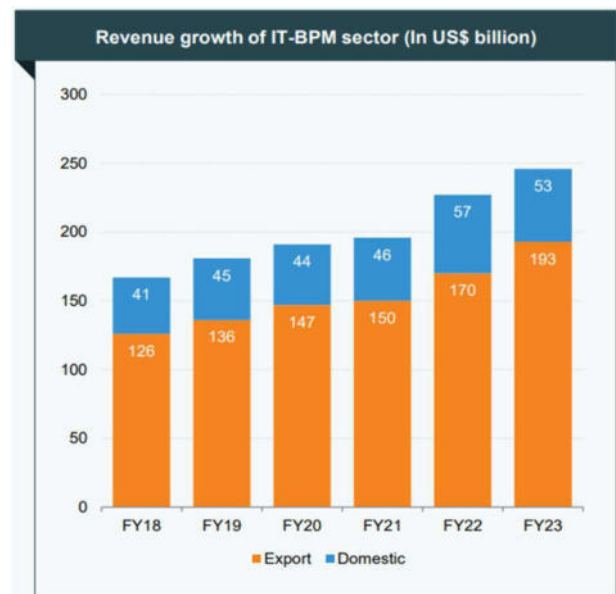
Source: <https://www.ibef.org/industry/services>

SEGMENTS OF INDIA'S IT SECTOR



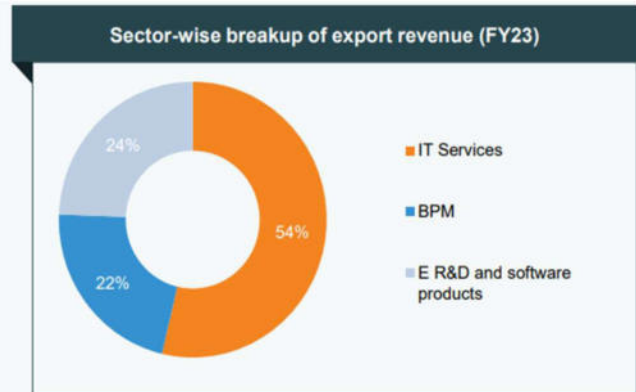
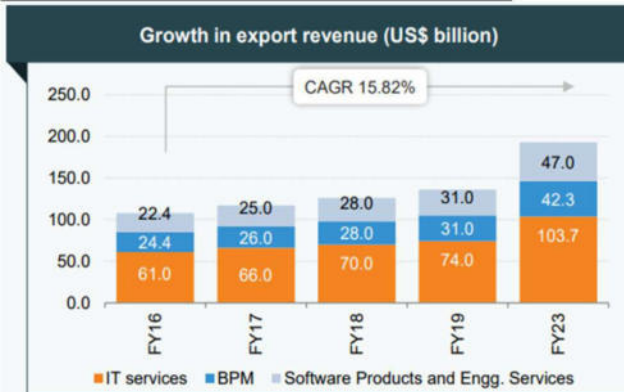
MARKET SIZE OF IT SECTOR IN INDIA

- The IT industry added 2.90 lakh new employees in FY23, bringing the total employment in the sector to 54 lakh employees.
- India's technology industry is on track to increase the revenue to US\$ 500 billion by 2030.
- Direct employment in the IT services and BPO/ITeS segment is estimated to reach 5.4 million in FY23 with an addition of 290,000 people. The IT-BPM services revenue reached US\$ 128.4 billion in FY23.
- In FY2023 the Indian domestic IT & Business Services market was valued at US\$ 53 billion as against US\$ 57 billion in FY2022.
- In November 2021, Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, lauded the Indian IT sector for excelling in its competitive strength with zero government interference. He further added that service exports from India had the potential to reach US\$ 1 trillion by 2030.



- The Karnataka government signed three MoUs worth US\$ 13.4 million to help the state's emerging technology sector.
- By 2025-26, India is expected to have 60–65 million jobs that require digital skills, according to a Ministry of Electronics & IT report titled "India's trillion-dollar digital opportunity."
- India's IT spending is anticipated to reach US\$ 124.6 billion in 2024, reflecting a 10.7% increase from 2023, according to Gartner. India's public cloud services market grew to US\$ 3.8 billion in 1H2023, expected to reach US\$ 17.8 billion by 2027
- India's digital economy is estimated to reach US\$ 1 trillion by 2025.
- Artificial Intelligence (AI) is expected to boost India's annual growth rate by 1.3% by 2035, according to NITI Aayog.

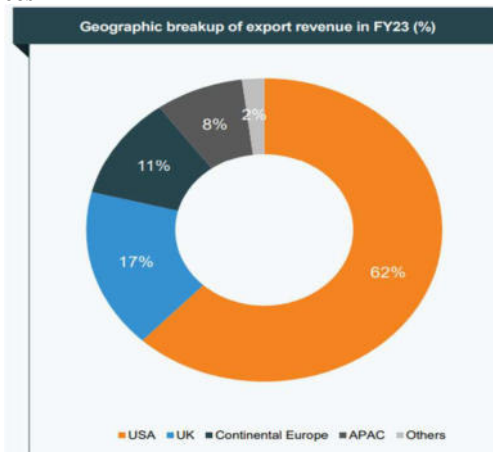
STRONG GROWTH IN IT & BPM EXPORTS



- As an estimate, India’s IT export revenue rose by 9% in constant currency terms to US\$ 194 billion in FY23. Export of IT services was the major contributor, accounting for more than 53% of total IT exports (including hardware).
- BPM and engineering and R&D (ER&D) and software products exports accounted for 22% and 25%, respectively of total IT exports during FY23.
- According to STPI (Software Technology Park of India), software exports by the IT companies connected to it stood at Rs. 1.20 lakh crore (US\$ 16.29 billion) in the first quarter of FY22.
- In August 2021, the Minister of Electronics and Information Technology, Skill Development and Entrepreneurship, Mr. Rajeev Chandrasekhar, announced that the IT export target was set at US\$ 400 billion for March 2022. In addition, the central government was planning to focus on areas such as cybersecurity, hyper-scale computing, artificial intelligence and blockchain.

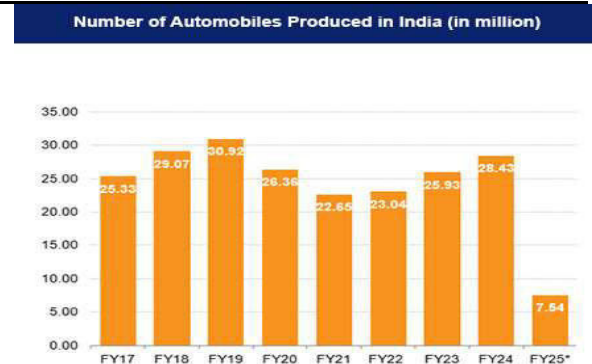
With Over 61% Share, The US is a Major Importer Of Tech Services

- US has traditionally been the biggest importer of Indian IT exports, as it absorbed over 62% of Indian IT & BPM exports during FY23.
- UK stood second to the US, with 17% of the services being exported to it.
- Even though, US and UK were the leading customer markets with a combined share of nearly 79%, there is a growing demand from APAC, Latin America and Middle East Asia regions.
- Being the low-cost exporter of IT services, India is going to attract more markets in other regions in the same way it tapped the US market.



Source: https://www.ibef.org/download/1721279147_IT_and_BPM_May_2024.pdf

BRIEF OVERVIEW ON AUTOMOBILE INDUSTRY



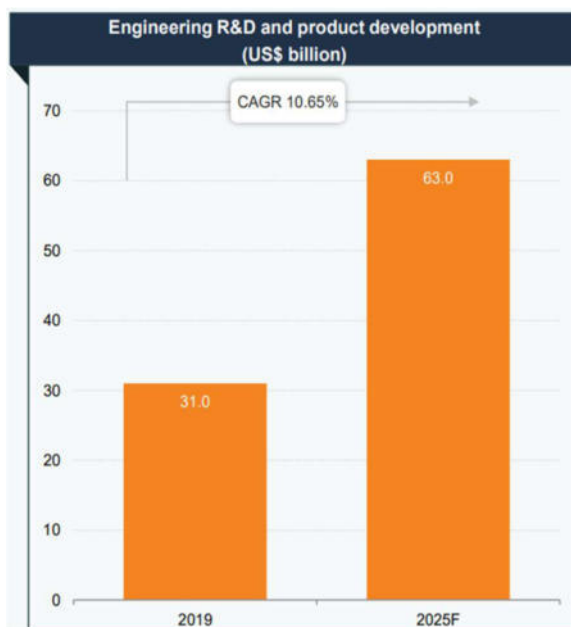
- The Indian passenger car market was valued at US\$ 32.70 billion in 2021, and it is expected to reach a value of US\$ 54.84 billion by 2027 while registering a CAGR of over 9% between 2022-27.
- The global EV market was estimated at approximately US\$ 250 billion in 2021 and by 2028, it is projected to grow by 5 times to US\$ 1,318 billion.
- In June 2024, the total production of passenger vehicles*, three-wheelers, two-wheelers, and quadricycles was 23,36,255 units.
- In FY24, the total production of passenger vehicles, commercial vehicles, three-wheelers, two-wheelers, and quadricycles was 2,84,34,742 units.

- In the April-June of 2024, total production of passenger vehicles*, commercial vehicles**, three wheelers, two wheelers, and quadricycles was 7.5 million units. India accomplished a significant milestone, with the sale of 13,25,112 EVs in FY24 (till January 2024).
- The electric vehicle (EV) market is estimated to reach US\$ 7.09 billion (Rs. 50,000 crore) in India by 2025. A study by CEEW Centre for Energy Finance recognised a US\$ 206 billion opportunity for electric vehicles in India by 2030. This will necessitate a US\$ 180 billion investment in vehicle manufacturing and charging infrastructure.
- According to NITI Aayog and the Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach US\$ 50 billion (Rs. 3.7 lakh crore) by 2030. A report by the India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, the projection for the EV battery market is expected to expand at a CAGR of 30% during the same period.
- Indian automotive industry is targeting to increase the export of vehicles by five times during 2016-26. In FY23, total automobile exports from India stood at 47,61,487. Indian automobile exports of two-wheelers stood at 36,52,122 in FY23.

Source: <https://www.ibef.org/industry/india-automobiles>

ENGINEERING R&D AND PRODUCT DEVELOPMENT MARKET IN INDIA.

- India has become one of the most preferred locations for engineering offshoring. Companies across multiple sectors (such as IT, consumer electronics, personal devices, medical electronics, telecom and automobiles) are now offshoring complete product responsibility.
- Engineering R&D products and services are growing at a fast rate in the technology sector in India.
- There are 1,39,018 recognized startups as on May 2024 startups from 350 in 2014.
- In India, there are more than 1,580, Global Capability Centres (GCCs), where companies can outsource their product development and receive product engineering services, with the GCC market size crossing US\$ 46 billion (as of FY23). These GCCs are home to some of the largest companies, many of which have their largest or second-largest R&D centres located in the country.
- The engineering R&D and product development market in India is forecast to post a CAGR of ~12% to reach US\$ 63 billion by 2025 from US\$ 31 billion in 2019.



- Newer capabilities such as supply chain, regulatory compliances and manufacturing engineering are being developed by engineering R&D service providers.
- Service providers in Europe are scaling up and setting offshore operations in India to access a cost effective and large talent pool. When it comes to outsourced innovation services, India is a global leader. According to NASSCOM's and Deloitte's study, 85% of the companies surveyed use a Global Capability Centres for engineering R&D, while nearly half make use of an Engineering Service Providers. India is alongside China among the top destinations for outsourcing

Source: https://www.ibef.org/download/1721626075_Science_and_Technology_May_2024.pdf

OUR BUSINESS

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

All financial information included herein is based on our “**Financial information of the Company**” included on page 156 of this Draft Red Herring Prospectus.

OVERVIEW

We provide manufacturing engineering solutions, along with product designing, software development and embedded engineering services tailored for various industries such as Automotive Industry, White Goods industry, IT Industry, Manufacturing Industry etc. Our manufacturing engineering solutions comprise of BIW (Body in white) fixture designing & robotic simulation, designing of special purpose machineries, BIW die designing and control electrical engineering services. Under product designing, we provide both Onsite & offsite Product designing services to our customers along with designing of prototypes through our production vendor. We use modern technologies, skilled teams and proprietary software to optimize processes, ensuring consistent quality services for our customers. We have accreditations such as ISO 9001:2015 for the scope of design, engineering services and software services with support functions, for various industries.

Our design and engineering team consisting of more than 600 employees is engaged in providing engineering and software solutions, ensuring compliance and quality standards laid down by the customers. To support these solutions, we use software such as “CATIA”, “SIEMENS NX”, “CREO” etc. to deliver customized design solutions to our customers. Our team handles conceptual design, modeling, visualization and prototype designing for various products, ensuring precise alignment with the specific requirements of the customers. Generally, we provide our services through service contracts, entered with our customers, specifying the scope of work, deliverables, timelines and pricing.

Our Company incorporated in 1996, We started our engineering solutions journey with product design & software division and began focusing on providing designing and software services. Over the years, we have expanded our range of services and geographical reach by introducing various other services like BIW Die Design, Control Electric engineering, Special purpose machine, BIW Fixture Design, Prototype development through Production Vendor etc. We have grown by the establishing additional branches and expanding our customer base across various industries and geographies. As on the date of this Draft Red Herring Prospectus, in addition to our corporate office, we have four other branches located in Pune, Haridwar, Gurugram and Noida. We have continually invested in technology and human resources to remain competitive in the market, allowing us to offer effective engineering solutions and software to our customers.

Our revenue is generated from both domestic operations within India and international business and we have served more than 30 countries across the globe in last three financial years. Below is the summary of geography wise turnover of our company during last three financial years:

(Rupees in Lakhs excepts percentage)						
Geographical Areas	FY 2023-24	%	FY 2022-23	%	FY 2021-22	%
Domestic	4292.94	54.25	3617.55	48.38	2517.61	50.63
International	3620.51	45.75	3860.38	51.62	2454.83	49.37
Total	7913.45	100.00	7477.93	100.00	4972.44	100.00

We rely on the expertise and experience of our key promoters, Narendra Singh Surana, Sudhansu Surana, and Avishkar Surana. Their active involvement in administration, finance and accounting, business development and marketing, legal matters, and corporate strategy and planning is pivotal to our company's growth and success in engineering design services. Narendra Singh Surana has an overall experience of 28 years out of which he has an experience of more than 20 years in the engineering solutions industry and he majorly contributes to strategic operational decision of the company. Sudhansu Surana, with more than 17 years of experience in this industry, focuses on software development, IT solutions, HR & Administration and Marketing of Software division of the company. Avishkar Surana has 10 years of experience in International Marketing and engineering industry and supports our efforts in expanding international market. He also has experience in finance, managing financial matters for the company. We believe that the quality of our promoters is crucial

to our success for delivering effective services to our customers in the field of engineering design services. Their experience to make informed decisions, tailored to industry and sector specific requirements help us to expand our business operations.

The following table sets forth certain key performance indicators for the years indicated:

(Rs. In Lakhs except percentages and ratios)			
Key Financial Performance	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	7,913.45	7,477.93	4,972.44
EBITDA ⁽²⁾	626.03	758.48	442.50
EBITDA Margin ⁽³⁾	7.91%	10.14%	8.90%
PAT ⁽⁴⁾	733.10	639.44	304.79
PAT Margin ⁽⁵⁾	9.26%	8.55%	6.13%
RoE (%) ⁽⁶⁾	29.94%	36.27%	25.47%
RoCE (%) ⁽⁷⁾	28.77%	33.46%	20.66%
Net Worth ⁽⁸⁾	2814.73	2082.71	1443.27

Notes:

⁽¹⁾ Revenue from operation means revenue from sales and other operating revenues

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses

⁽⁵⁾ 'PAT Margin' is calculated as PAT for the year divided by revenue from operations.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

⁽⁸⁾ Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Preliminary Expenses to the extent not written-off

Our Competitive Strengths:

We believe that the following are our primary competitive strength:

1. Geographical Presence in Growing Markets

Our strength lies in understanding global industry practices and business trends, enabling us to serve customers both in India and internationally. By maintaining multiple revenue streams from different regions, with a balanced portion from export sales, we focus on financial stability and growth. Our global presence as an engineering design service provider helps us to expand our customer base and stay updated on technological advancements. We adopt new technologies to improve our services, support our global business expansion, and attract customers from around the world. This approach extends our market reach and keeps us aligned with the latest developments in our field, helping us remain competitive. Our revenue-split across top 5 geographies in recent periods is as follows:

Geographical Areas	(Rupees in Lakhs except percentage)					
	For the year ended					
	March 31, 2024	%	March 31, 2023	%	March 31, 2022	%
India	4292.94	54.25%	3617.55	48.38%	2517.61	50.63%
Germany	1220.33	15.42%	1071.82	14.33%	367.15	7.38%
USA	821.46	10.38%	410.63	5.49%	301.36	6.06%
Mexico	244.69	3.09%	304.52	4.07%	25.69	0.52%
Brazil	234.24	2.96%	372.67	4.98%	188.46	3.79%
Grand Total	6813.66	86.10%	5777.19	77.25%	3400.27	68.38%

2. Diversified range of customers across various industries.

In our business, we serve a wide range of customers across various industries with a range of services, including BIW Fixture Design & Robotic Simulation, Special Purpose Machinery, Control Electrical Engineering, BIW Die Design, Product Design, Prototype Development, Software Design & Development, and Embedded Engineering Services. We have served entrepreneurs operating in industries such as Automotive Industry, White Goods industry, IT Industry, Manufacturing etc. Our esteemed customers include entities such as Hero MotoCorp Limited, L.G. Soft India Private Limited, Havells India Limited, Stryker Global technology Centre Pvt Ltd, JCB India Ltd etc. We have built long-term

relationships with some of our customers who have been associated with us for many years. These existing relationship with our customers helps us to get repeat business from them. We believe that our relationship with the existing customers represents a competitive advantage in our business strategy and to the growth of our business.

3. Strong Portfolio of diverse range of services

We offer a broad range of services designed to meet diverse business needs globally. Our Manufacturing Engineering Solutions include BIW Fixture Design and Robotic Simulation, Special Purpose Machinery, Control Electrical Engineering and BIW Die Design. The Design Division provides Onsite & Offsite Product Designing, and Prototype Development, ensuring customized solutions. In our Software Division, we focus in Software Design & Development and Embedded Engineering Services, using modern technology for operational efficiency. With a customer-focused approach and a commitment to continuous improvement, we deliver solutions that address the evolving needs of industries.

Our revenue-split from various services in recent periods is set out below:

(Rs. In Lakhs except percentages)

Services	As of and for the year ended					
	March 31, 2024	% to total sales	March 31, 2023	% to total sales	March 31, 2022	% to total sales
Manufacturing Engineering Solutions						
BIW Fixture Design and Robotic Simulation	1,978.13	25.00	1,741.68	23.29	1,285.44	25.85
Special Purpose Machinery	84.57	1.07	71.68	0.96	-	-
Control Electrical Engineering	125.79	1.59	123.99	1.66	4.35	0.09
BIW Die Design	266.09	3.36	233.47	3.12	156.47	3.15
Product Design Division						
Onsite Product Designing	3,102.52	39.21	2,598.91	34.75	1,700.05	34.19
Offsite Product Designing	245.25	3.09	227.12	3.04	55.02	1.11
Prototype Development	1,571.70	19.86	1,761.50	23.56	1,468.23	29.53
Software Division						
Software Design & Development	496.87	6.28	719.58	9.62	302.88	6.09
Embedded Engineering Services	42.53	0.54	-	-	-	-
Total	7913.45	100.00	7477.93	100.00	4972.44	100.00

4. Experienced Promoters, senior management and skilled employees:

Our company's growth and culture of innovation are driven by the experience of our promoters and senior management. Narendra Singh Surana, with over 20 years in engineering design, guides our strategic direction. He has also authored a book titled “*The Prototype Development Process: A Peace of Mind in Engineering Design*”, which guides readers in the field of engineering. Sudhansu Surana, with 17 years of experience, focuses on business development, software solutions, HR and administration, and marketing for the software division. Avishkar Surana, with a 10 years of experience in international marketing, finance and engineering solutions, contributes to our international market expansion and manages the finance and marketing departments. Their expertise and strategies have played a key role in the company’s performance.

Further, we also have a management team with experience in engineering, operations, and business development. This team includes qualified technical and support staff who manage key operational areas. Our in-house engineering and design team is capable of creating designs based on customer requirements. Our quality control managers ensure quality through regular inspections and tests. We believe that our experienced management and employee base have contributed to our ability to improve operating capabilities, improve product quality, and support our growth in the industry.

For further details of the educational qualifications and experience of our management team and our Key Managerial Personnel please refer the chapter titled “**Our Management**” beginning on page 137 of this Draft Red Herring Prospectus.

Our Business Strategies:

1. Continue to invest in our technological capabilities by setting up new integrated manufacturing unit

To expand our business operations and diversify our product and service portfolio, we are currently in the process of setting up a new manufacturing unit in A-41, Sector-8, Noida, Gautam Buddha Nagar, Uttar Pradesh-201301, measuring 5000 sq. mtr, where in house prototype development will be started which is to be funded from net issue proceeds of Rs. 2160.90 Lakhs. As of now, we are outsourcing the prototype development activity to external vendor, which will be developed in-

house, post setting up of this manufacturing unit. We believe that this investment will expand our existing business operations and will allow us to reduce our dependence on third party prototype developers and also contribute to better margins.

For further details, please refer to chapter titled “*Objects of the Issue*” beginning on page 85 of this Draft Red Herring Prospectus.

2. To build professional organisation by recruiting and retaining highly-skilled employees

We have a blend of the experience and the sufficient staff for taking care of our day-to-day operations. We also consult with external agencies on a case-to-case basis on technical and financial aspects of our business. Our employees are one of our most important assets, we recognize that our employees are crucial to our organization, playing a pivotal role in our success. Our strategic focus is on attracting, developing, and retaining highly-skilled employees. We prioritize recruitment to ensure both qualifications and cultural fit. Our aim is to reduce our employee attrition rate, retaining more of our highly skilled workforce as we expand in the future. This involves a firm dedication to providing them with an improved, safer, and healthier working environment. Our company has spent Rs. 10.28 Lakhs & Rs. 10.44 Lakhs on Placement expenses in F.Y 2022-23 & FY 2023-24 respectively.

3. Quality Assurance ensuring standardized quality of our services

We believe that quality is an ongoing process of building and sustaining long term relationships with customers. Our strategy emphasizes not only maintaining but strive to exceed customer expectations at every touchpoint through quality and timely delivery of services. This philosophy has formed the foundation of the expansion and diversification of our service portfolio since our inception. We have accreditations such as ISO 9001:2015 for the scope of design, engineering services and software services with support functions, for various industries. This certification provides assurance to our customers for the quality of our services.

4. Targeting new customer accounts and expanding geographical footprints

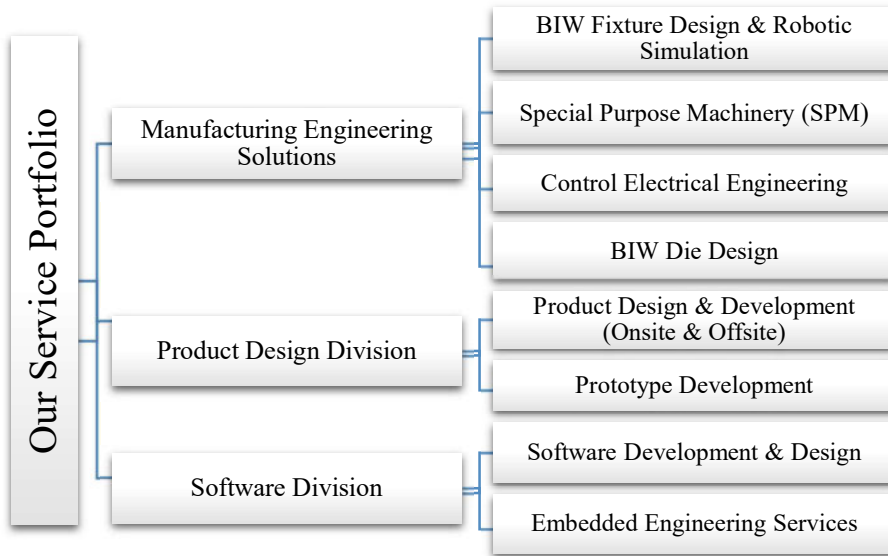
Currently, we are serving diversified customers across more than 30 countries and gradually we intend to expand our business operations to other counties across the world. We plan to continue our strategy of diversifying and expanding our presence in other countries as well as other untouched regions within the country for the growth of our business. We are selective in expanding to new locations and look at new geographies where we can deliver our products and services without experiencing significant delays and interruptions. Through further diversification of our operations geographically, we hope to hedge against risks of operations in only specific areas and protection from fluctuations resulting from business concentration in limited geographical areas.

We intend to increase our sales and customer penetration by targeting new customer accounts and expanding our existing customer accounts in our principal markets by offering our entire range of products and services. Towards this objective, we seek to continue to consolidate and develop our relationships with large and renowned corporate groups whose product portfolios are spread across various geographies, as well as our design and engineering innovation competencies so as to be able to enter new and related markets and acquire, evolve and strengthen our customer relationships. While we believe our existing customers provide us with the necessary drivers to generate growth, we intend to continue to focus on new customers.

OUR LOCATIONS:

Registered Office	G-7, 20, Hari Sadan, Ansari Road, Daryaganj, New Delhi - 110002, Delhi, India.
Corporate Office	A-27B, Sector-16, Gautam Buddha Nagar, Noida - 201301, Uttar Pradesh, India.
Branch - I	Unit No. 5 to 8, Ground Floor, Pride Icon Apartment, S. No. 22/1/A/1A, Office-06, Kharadi Mundwa-Hadapsar Bypass, Kharadi - 411014, Pune, Maharashtra, India.
Branch - II	Shop No. 1, Amar Kunj, Shrinath Nagar, Railway Road, Jwalapur, Haridwar - 249407, Uttarakhand, India.
Branch - III	8th Floor, Magnum Tower-1, Sector-58, Gurugram - 122011, Haryana, India.
Branch - IV	A-28, Sector-16, Noida - 201301, Uttar Pradesh, India..

OUR SERVICE PORTFOLIO

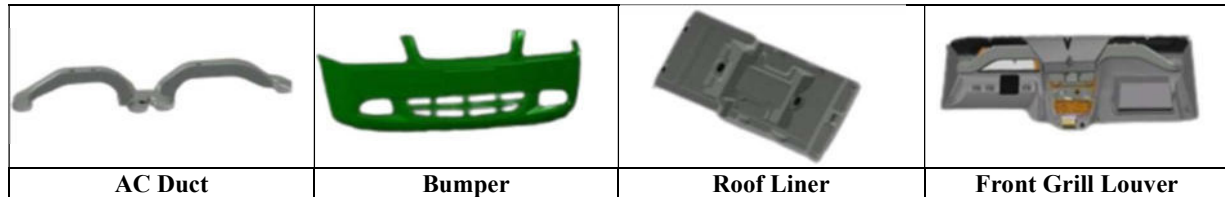


❖ **MANUFACTURING ENGINEERING SOLUTIONS**

1. BIW Fixture Design & Robotic Simulation

BIW Fixture Design:

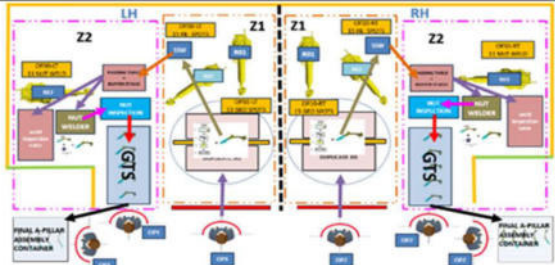

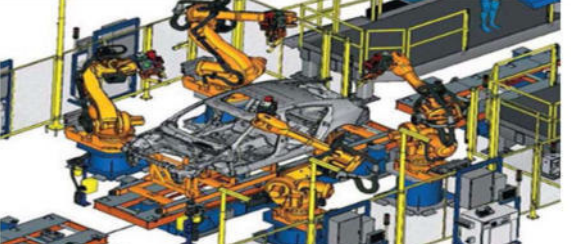
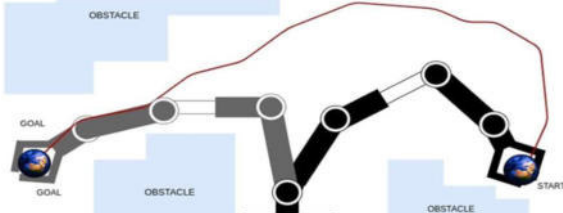
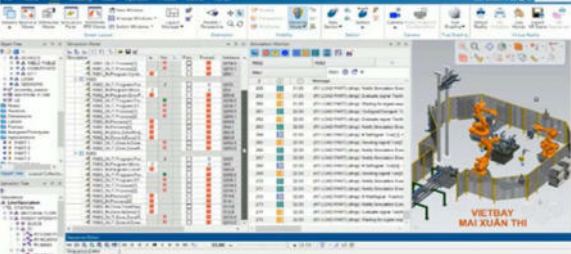

Our company provides Body-in-White (BIW) tooling design services for the automotive industry, focusing on fixture design. In BIW manufacturing, sheet metal components are assembled into a single structure before additional parts like the engine, chassis, and interior are installed. Fixture design involves creating tools to hold, support, and position car body parts during assembly. We provide tooling design for a wide range of car parts, such as Roof Liner, Dashboard, AC Duct, Bumper etc. We handle the entire tooling process, including planning manufacturing cell layouts, designing mechanical components, and integrating robotics for tasks such as welding and assembly. Our services include cell build-up, floor space and cycle time optimization, safety requirements, offline programming, sequence of operations, and body shop applications, following OEM standards. We use software tools like *Delmia V5*, *RobCad*, and *RCS* for fixture design and integration.



Robotic Simulation:

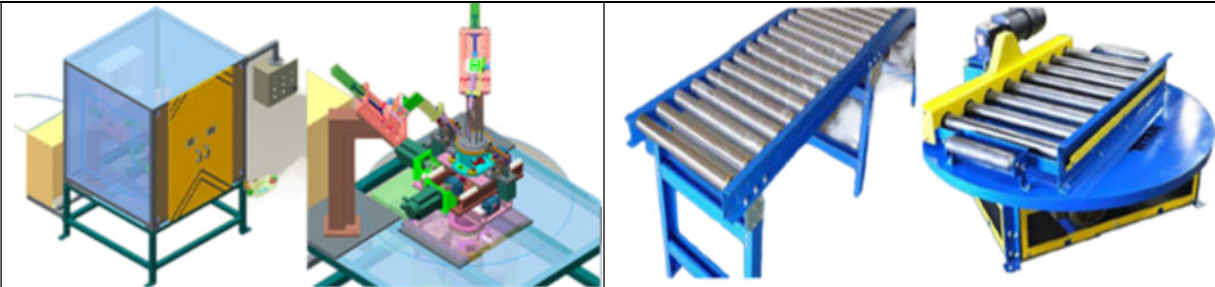
The Robotic Simulation division focuses on manufacturing engineering solutions for "Weld Body Shop Engineering Services." We provide digital manufacturing engineering solutions for automating production lines. Robotic simulation involves using computer software to create a virtual model of a robotic system. This simulation allows engineers to plan, program, and test robotic operations in a virtual environment before implementing them on the actual production floor. We use Softwares like *Delmia V5*, *Process Simulate*, and *Robcad*. The objective is to optimize robotic tasks, detect and correct errors, and improve overall efficiency without the risks and costs associated with physical trial and error. This division focuses on robotic simulation and layout planning to streamline automation processes and integrate robotic systems effectively. We offer comprehensive services, from planning to final programming, using simulation tools to test and refine robotic operations.

Following are Key Areas of Our Services:

<p>Layout & Process Planning</p> <ul style="list-style-type: none"> • We provide process overviews and material flow presentations. • Our work includes calculating cycle times based on production targets, analyzing product structures & joining technologies, and assessing robot utilization. • We also develop 2D layout plans to determine space requirements and evaluate production feasibility 	
<p>Robotic Cell Building</p> <ul style="list-style-type: none"> • We create 3D models of robotic cells to evaluate different configurations. • This includes studying material flow, assessing metal joining and assembly procedures, and developing preliminary BOMs. • We optimize robot tasks and perform bottleneck analysis to ensure efficient operations. 	
<p>Detailed Robotic Simulation</p> <ul style="list-style-type: none"> • We validate manufacturing processes and tooling setups. • Our simulations help identify and avoid issues such as joint locks or singularities. • We design work cells focusing on safety, maintenance, and ergonomics to support effective manufacturing. 	
<p>Offline Robot Programming</p> <ul style="list-style-type: none"> • We develop collision-free robot paths and optimize cycle times. • Our services include creating detailed sequences of operations, checking interlocks, and testing robot behaviors with Real Time Controllers (RCS) to ensure proper synchronization. 	
<p>Event-Based Simulation / Line Simulation</p> <ul style="list-style-type: none"> • We build virtual environments using CEE facilities for simulations. • Our work includes applying sensor conditions, creating logic blocks, and monitoring signals. • We verify robotic logic and I/O instructions for accuracy. 	
<p>Onsite & Remote Support</p> <ul style="list-style-type: none"> • We offer onsite support and manpower for specific projects or turnkey solutions. • We also provide dedicated Onsite Deputation Services (ODS) for key customers, ensuring focused support and coordination. 	

2. Special Purpose Machines (SPM)

Our company designs and engineers Special Purpose Machines (SPMs), which are custom-engineered machine designed to perform a specific manufacturing task with precision and efficiency, unlike general-purpose machines that can handle a variety of tasks, SPMs are tailored to excel at a single or limited set of operations. SPMs are designed to perform specialized tasks unique to particular production processes using CAD software such as *Autodesk Inventor*, *Creo*, *CATIA*, *SolidWorks*, *Solid Edge*, and *AutoCAD*. SPMs are often employed to achieve complete automation, fulfilling high-volume production demands with the desired quality and precision. **Our SPM domain includes reverse engineering, onsite support, Machine Tools & Tool Fixture Design, Automotive & Non-Automotive Assembly Lines and the following:**

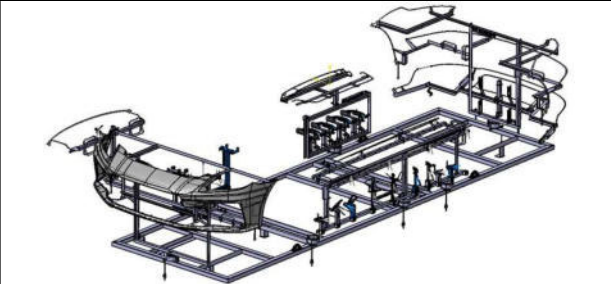


General Purpose & Welding SPM : Designed specifically for precise welding tasks and general-purpose operations within a specific context.

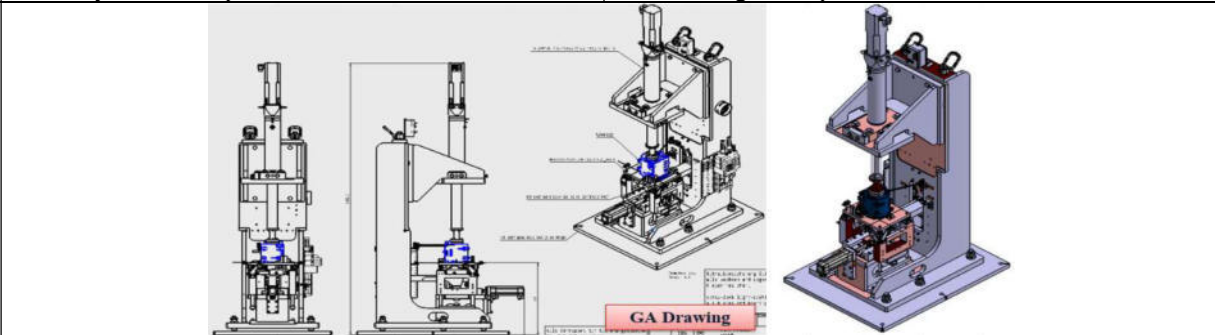
Automation & Material Handling: Customized for efficient and automated material movement and processing.



Assembly Robo Cells: Built for specific robotic assembly tasks and operations.



Fabricated Structures : Custom-designed for the creation and handling of unique fabricated structures.



2D Detail Manufacturing Drawings & 3D Parametric Modelling: Focused on creating precise design documentation and models for specialized machines.

3. Control Electrical Engineering

Control Electrical Engineering focuses on designing systems that manage and regulate electrical devices and processes, ensuring that machines operate safely and efficiently. This involves creating control systems that monitor and regulate electrical operations, as well as planning the distribution of electrical power in industrial facilities. It also includes automating tasks to improve productivity and minimize manual labour. Our Company uses tools like *ePLAN*, *AutoCAD*, and *AutoCAD Electrical* to facilitates the development of electrical control panels, fluid power systems, and the management of hydraulic and pneumatic systems. For example, in manufacturing, Control Electrical Engineering designs and implements automated systems that control machinery and production processes. This ensures consistent product quality and reduces downtime, leading to increased productivity. We offer extensive electrical design and automation services, including:

• Single Line Diagrams	• Panel Wiring Drawings
• Electrical Control Panels	• Internal and External Assembly Drawings for Electrical Cabinets
• General Arrangement Drawings	• 3D Control Panel Layouts
• Electrical Bill of Materials	• Internal Panel Layouts & Door Layouts
• Electrical Schematics	• Inter-panel Cable Schedules and Reports

4. BIW Die Design

We provide die design services within manufacturing engineering, focusing on creating precision tools, known as dies, to shape and cut sheet metal into exact forms for automotive body panels and structural components. Using *CAD/CAM* (Computer-Aided Design/Computer-Aided Manufacturing) softwares, we develop detailed 3D models of these dies, allowing for simulations of the stamping process to optimize material flow and ensure part integrity. Our services include 3D Process/Method Planning, 3D Die Design and designing tooling for various automotive parts such as body side panels, tailgates, fenders, underbodies, wheelhouses, hoods, chassis etc. We handle the planning and optimization of die layouts, ensuring they meet industry standards, and integrate them into the production line for accurate and efficient manufacturing. Our capabilities support industries including automotive, electronics, and consumer goods, ensuring that parts meet stringent safety, durability, and dimensional requirements.

Example of Die Design.



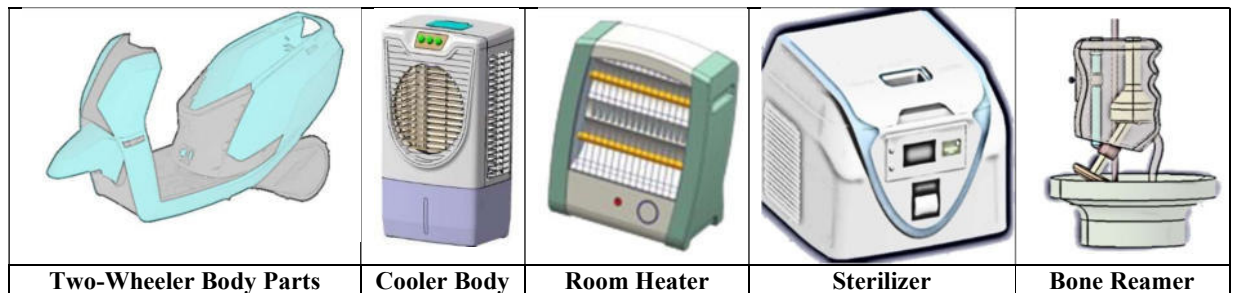
❖ **Product Design Division**

1. Product Designing

Our company provides product design and development services to meet the needs of various industries. While our primary focus is the automotive industry, we also support industry such as medical devices, electronics, white goods etc. Our team uses modern softwares, including *CATIA, NX, SolidWorks, Creo, Solid Edge*, and simulation tools such as *ANSYS, Abaqus, and ADAMS*, to deliver customized solutions tailored to individual requirements, from initial design to series production. Our skilled team manages concept design, modeling, and visualization, with extensive knowledge and experience in bodywork, interior, exterior, and equipment design under automotive industry. We also work on electronics components such as fans, air conditioners, and refrigerators etc, as well as medical devices like sterilizers and bone reamers etc.

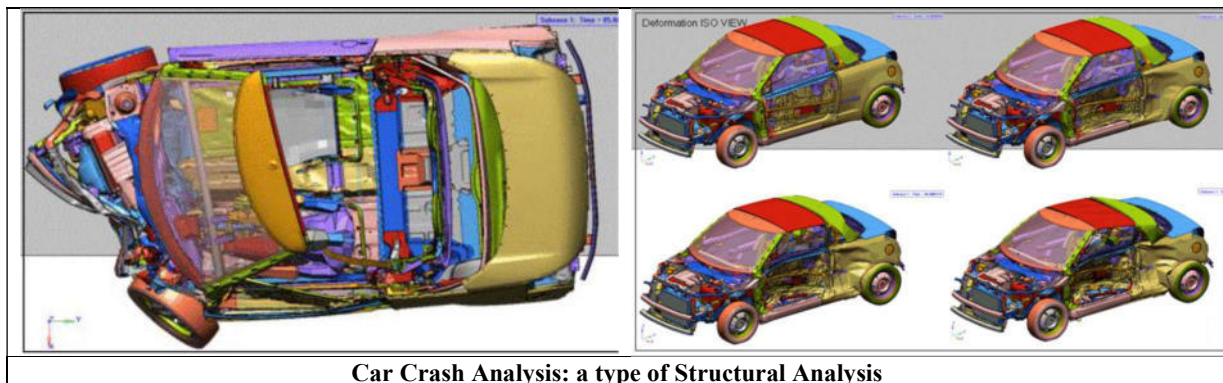
We provide both onsite and offsite product design and development services to meet the specific needs of our clients. Our onsite service involves deploying our experienced engineers directly to the client’s location. This approach allows us to carry out product design and development tasks, as well as other related activities, directly at the client’s facility. Onsite services are often chosen to address confidentiality concerns, as they ensure that sensitive project details and proprietary information remain secure within the client’s premises.

Example of Products.



Our capabilities include:

- **Computer-Aided Design (CAD) Services:** This involves the creation and refinement of product concepts into detailed designs ready for manufacturing.
 - **3D Modeling:** We create detailed 3D models to visualize and analyze products, ensuring they meet specifications for shape, fit, and function.
 - **Surface Modeling:** We design complex, smooth surfaces necessary for products that require both aesthetic and functional quality.
 - **Solid Modeling:** We develop robust models to ensure product durability and reliability, focusing on details that enhance longevity.
 - **Parametric Modeling:** Our designs are adaptable and flexible, allowing for easy modifications and improvements during development.
 - **Assembly Modeling:** We simulate how parts fit together to identify potential assembly issues early, ensuring efficient assembly and proper functionality.
- **Simulation and Analysis:** This involves testing and evaluating the product to ensure it performs well under various conditions.
 - **Structural Analysis:** We test product strength and durability under various conditions to ensure reliability in real-world applications.
 - **Fluid Dynamics Simulation:** We optimize fluid movement and heat transfer, particularly for systems where temperature control is essential.
 - **Motion Simulation:** We simulate component movement to identify and resolve potential functional issues, ensuring smooth operation.
 - **Finite Element Analysis (FEA):** We predict product behavior under real-world conditions, identify stress points, and optimize material use to balance performance with cost.



2. Prototype Designing & Development

A prototype is a preliminary version of a product or system created to test and evaluate its design, functionality, and performance before full-scale production. Prototyping is essential in development because it helps engineers and designers identify and resolve issues early, refine designs based on feedback, and ensure the final product meets specifications and quality standards. Our Prototype Division supports rapid product development through our production vendors. We provide detailed design specifications to these vendors, who then create and send the prototypes to us. After reviewing these prototypes, we deliver them to our clients. We deliver detailed prototypes that speed up time-to-market and enhance product quality, providing valuable insights for design and functionality.

❖ Software Engineering Division

Our Software Engineering Division offers multiple range of services that include both technical resource augmentation and project-based solutions. We focus on delivering quality software and embedded systems development, applying engineering principles to ensure reliability, efficiency, and scalability. Also, we provide SHRM Pro SaaS software, designed to simplify human resource management. Our offerings include both products and services, which are as follows:

1. Services

We provide an integrated service portfolio that combines the resource augmentation (Onsite) with project-based solutions (Offsite), ensuring our clients have access to specialized expertise and complete project management. Our services cover following technical domains:

- **Software Development:** Our software development team is skilled in various programming languages and frameworks, enabling us to create custom applications that fit the specific needs of each organization. We focus on building scalable solutions, whether it's web applications, mobile apps, or enterprise systems etc. By working closely with clients, we ensure our software addresses their challenges effectively.
- **Embedded Engineering Services:** Our embedded system engineers are experienced in firmware development and real-time operating systems (RTOS). They work on integrating hardware and software to ensure that embedded systems perform reliably and efficiently. This involves creating software that interacts directly with hardware components, addressing challenges like power management and real-time processing.

2. Product

SHRM Pro SaaS Software

SHRM Pro is a SaaS product designed to streamline human resource management processes. It offers an Extensive suite of tools to manage employee data, payroll, recruitment, performance evaluation, and compliance.

Key features of SHRM Pro include:

- **Employee Management:** Centralized management of employee records with self-service portals for employees to update their information, request leaves, and access payslips.
- **Payroll Processing:** Automated payroll calculations that ensure accurate and timely salary disbursements, tax filings, and compliance with regulatory requirements.
- **Recruitment and Onboarding:** End-to-end recruitment solutions that cover job posting, applicant tracking, interview scheduling, and onboarding processes to streamline the hiring of new employees.
- **Performance Management:** Tools for setting goals, tracking performance, conducting evaluations, and providing feedback to employees, ensuring continuous improvement and development.
- **Compliance and Reporting:** Reporting and audit trails that ensure adherence to regulatory requirements and provide insights into HR metrics and trends.
- **AI-Driven Talent Acquisition:** Streamlined recruitment with AI-powered candidate screening, matching, and onboarding.
- **Actionable AI Insights:** Insights into workforce trends and potential issues through AI analytics for better decision-making.

BUSINESS PROCESS

1. **Targeted Marketing and Client Acquisition:** We promote our services, such as manufacturing engineering, product design, and software development, through targeted marketing and direct outreach to attract potential clients.
2. **Lead Qualification and Engagement:** Sales coordinators qualify leads by understanding client needs, then send detailed brochures and arrange meetings to discuss how our services can help to meet their requirements. We present our service options and past projects to potential clients, answering questions and providing detailed information to ensure informed decisions.
3. **Quote and Negotiation:** We prepare and negotiate detailed quotes, including scope, deliverables, timelines, and costs, to finalize agreements with clients.
4. **Order Processing and Project Execution:** Upon order confirmation, we share the Purchase Order with our teams. The Customer Relationship Manager (CRM) updates the client on project progress.
5. **Delivery and Follow-Up:** We deliver the final product with necessary documentation and follow up to ensure client satisfaction and gather feedback.
6. **Payment and Closure:** We ensure timely payment, confirm receipt with the client, and collect feedback and testimonials to improve our services and showcase successful projects.

PRICING MODEL

Our engagements with customers are typically governed by a master services agreement, with individual projects delivered under project-specific agreements. We offer various pricing models, including monthly pricing, where customers pay a fixed fee periodically to retain our services; unit-based pricing, which calculates charges per unit of work or product

delivered; project-based pricing, where a fixed price is agreed upon for the entire project; and custom pricing tailored to specific customer requirements, etc. This flexibility allows us to adapt our pricing to meet diverse business needs.

INSTALLED CAPACITY & CAPACITY UTILISATION: -

As our Company does not have any Plant and Machinery, thus installed capacity or capacity utilization is not applicable

COLLABORATIONS/TIE UPS/ JOINT VENTURES:

As on date of the Draft Red Herring Prospectus, our Company does not have any Collaborations/Tie-ups/Joint Ventures.

EXPORT OBLIGATION:

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

SALES AND MARKETING: -

We have some reputed companies in the industry as our customers. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. We have marketing teams that take several initiatives to expand the Customer base that we can potentially acquire in our target markets. Our senior management is actively involved in maintaining Customer relationships and business development through interaction at different levels in the Customer organization.

Our sales and marketing department consists of over 40 employees. Their experience and strong relationships with customers, built through timely and quality service delivery, play a key role in creating and expanding opportunities for our company. To retain our customers, our team regularly engages with them to understand their additional needs.

We identify sales opportunities in several ways, including

- Collaborative emails
- Traditional sales processes
- Digital marketing strategies
- Referrals from existing Customers
- Website inquiries.

COMPETITION: -

In today's rapidly changing business environment, which is marked by technological advancements, shifting government policies, increasing competitive threats, and continuous market entries, sustaining operations and delivering competitive solutions to Customers is a significant challenge. We face competition from both domestic and international players in the Engineering Solutions Industry, ranging from small startups to large corporations. We foresee this competition to continue to grow as the demand for software driven solutions increases. Apart from that, clients may reduce their dependency on vendors in India and outsource work to other offshore. Factors such as currency fluctuations, regulatory changes, policies, and challenges in retaining skilled staff further influence our competitive landscape.

We believe the principal elements of competition in IT industry are price, timely delivery and reliability and most importantly our pace in keeping up with the required changing technology in the industry. We believe that our cost effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in many of our services. We have a number of competitors offering products and services similar to us like:

- Mold-Tek Technologies Limited
- Onwards Technologies Limited
- Axiscades Technologies Limited

UTILITIES & INFRASTRUCTURE FACILITY:

Our registered office, corporate office and working facilities are situated in multiple places across India viz. Delhi, Noida, Pune, Haridwar & Gurgaon. All our offices are equipped with computer systems, servers, relevant software and other communication equipment's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

Network and Infrastructure: Our Information System Department provides network and computing services and is designed to ensure the security and availability of the network to enable our business to run smoothly without interruptions. We have backup links in place. Our entire network system and servers are closely monitored and have standard operating procedures

Power: The company require regular and uninterrupted power supply for our day-to-day business activates including lightings, systems etc. adequate power supply is available for all our offices.

Water: Our registered office, corporate office and branch offices have adequate water supply position from the public supply utilities and the same is used for drinking and sanitation purposes. Our current water consumption at our registered office, corporate office and branch offices is minimal and the same is sourced from the local sources.

EMPLOYEES:

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

As on July 31, 2024, our Company has total employed more than 731 employees (including key members) at various levels of the Organization. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

INTELLECTUAL PROPERTY:

Sr. No.	Trademark	Class	TM Category	Owner	Application No.	Issuing Authority	Date of Application	Current Status
1.	 SPHINX WORLDBIZ LIMITED	42	Device	Sphinx Worldbiz Limited	6444549	Trademark Registry Mumbai	May 22, 2024	Formalities Chk Pass

INSURANCE:

Our business is subject to loss due to theft or occurrence of any unforeseen event such as fire, earthquake, other natural calamities, terrorism and force majeure events. We maintain insurances for the same which include Digit My Property Insurance policy from Go Digit, which provide appropriate coverage in relation to STFI, earthquake, theft, computer programmes, information or data etc. for corporate office situated in Noida and branch office situated in Pune. Additionally, we have taken Electronic Equipment Insurance Policy and Machinery Breakdown Insurance policy from ICICI Lombard General insurance company limited for our corporate office. Further, we maintain insurance from IFFCO Tokio General Insurance Co. Ltd. which provide appropriate coverage in relation to STFI, earthquake, theft etc. for branch office in Gurugram. Along with the same, we have also taken Vehicle Insurance policies. We believe that our insurance coverage is adequate for our business needs and operations. For further details, kindly refer the section on “**Risk Factors**” beginning on page 28 of this Draft Red Herring Prospectus - ***Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.***

MATERIAL PROPERTIES:

The following table sets forth the location and other details of the leasehold properties of our Company.

Sr.	Location	Owned/ Rented	Purpose of use	Description
1.	G-7, 20, Hari Sadan, Ansari Road, Daryaganj, New Delhi - 110002, Delhi, India.	Rented	Registered Office	The property has been obtained from Satish Chand Jain & Sons H.U.F, Subhash Jain H.U.F and Suresh Chand Jain & Sons H.U.F on lease

				vide Lease Deed dated April 15, 2024 or a period of 11 months from April 1, 2024 to February 28, 2025.
2.	A-27B, Sector-16, Gautam Buddha Nagar, Noida - 201301, Uttar Pradesh, India.	Owned	Corporate Office	Agreement of sale executed between Shachi Bharadwaj (Seller) and Sphinx Worldbiz Limited (Buyer) vide agreement dated October 10, 2017.
3.	Unit No. 5 to 8, Ground Floor, Pride Icon Apartment, S. No. 22/1/A/1A, Office-06, Kharadi Mundwa-Hadapsar Bypass, Kharadi - 411014, Pune, Maharashtra, India.	Owned	Branch - I	Agreement of sale executed between Hemraj Babanrao Kawade, Sarika Hemraj Kawade, Mahesh Babanrao Kawade and Pooja Mahesh Kawade (Seller) and Sphinx Worldbiz Limited (Buyer) vide agreement dated September 18, 2020.
4.	Shop No. 1, Amar Kunj, Shrinath Nagar, Railway Road, Jwalapur, Haridwar - 249407, Uttarakhand, India.	Rented	Branch - II	The property has been obtained from Mr. K.C Verma on lease vide Lease Deed dated April 16, 2024 for a period of 11 months from April 16, 2024 to March 16, 2025.
5.	8th Floor, Magnum Tower-1, Sector-58, Gurugram - 122011, Haryana, India.	Rented	Branch - III	The property has been obtained from Xerica Widening Horizons LLP on lease vide Lease and License agreement dated January 24, 2024 for a period of 11 months from November 1, 2023 to September 30, 2024.
6.	A-28, Sector-16, Noida - 201301, Uttar Pradesh, India.	Rented	Branch - IV	The property has been obtained from Mrs. Aruna Gupta on lease vide Lease Deed dated April 18, 2024 for a period of 6 months from April 15, 2024 to October 15, 2024.
7.	Plot No. 27, Block-G, Sector-39, Noida, Gautam Buddha Nagar - 201301, Uttar Pradesh, India.	Owned	Investment	Agreement of sale executed between Rakesh Agnihotri (Seller) and Sphinx Worldbiz Limited (Buyer) vide agreement dated August 13, 2018.
8.	Unit No. 4 to 11, 7th Floor, The Platinum Tower, Kharadi, Pune - 411014, Maharashtra, India.	Owned	Under Construction	Agreement of sale executed between Avishkar Arista Developers LLP (Seller) and Sphinx Worldbiz Limited (Buyer) vide agreement dated April 26, 2023.
9	Unit No. 11, 8th Floor, The Platinum Tower, Kharadi, Pune - 411014, Maharashtra, India.	Owned	Under Construction	Agreement of sale executed between Kajal Anil Advani, Mohnish Advani and Varun Anil Advani (Seller) and Sphinx Worldbiz Limited (Buyer) vide agreement dated March 28, 2024.

KEY REGULATIONS AND POLICIES

The following is an indicative summary of certain relevant laws and regulations in India which are applicable to the business and operations of our Company. The information available in this section has been obtained from publications available in the public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and is neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.

For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled “Government and Other Approvals” beginning on page 219 of this Draft Red Herring Prospectus. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business.

BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE RELATED LAWS AND REGULATIONS:

Our business of providing high quality designs and product development services for engineering industry is being regulated by many laws, which are being elaborated hereunder

Information Technology Act, 2000 (“IT Act”)

The IT Act has been enacted with the intention of providing legal recognition to transactions that are undertaken electronically. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information made available to or hosted by them and creates liability for failure to protect sensitive personal data. The IT Act has created a mechanism for authenticating electronic documentation by means of digital signatures, and provides for civil and criminal liability including fines and imprisonment for various offences. By means of an amendment in 2008, the IT Act legalized the validity of contracts formed through electronic means. The IT Act prescribes various offences, including those offences relating to unauthorized access of computer systems, unauthorized disclosure of confidential information and frauds emanating from computer applications.

Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“Reasonable Security Practices Rules”)

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), on April 11, 2011, notified the **Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011** (“Reasonable Security Practices Rules”) which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The Reasonable Security Practices Rules require every such body corporate to provide a privacy policy to be published on its website; containing managerial, technical, operational and physical security control measures commensurate with the information assets being protected based on the nature of business, for handling and dealing with personal information, including sensitive personal data and ensuring security of all personal data collected by it. The Reasonable Security Practices Rules define sensitive personal data or information to include passwords, financial information such as bank account, credit card and payment instrument details, medical records and any detail relating to the aforementioned categories as provided to a body corporate for providing services and/or stored or processed by the body corporate under lawful contract or otherwise, however, any information that is freely available or accessible in public domain or furnished under law is not regarded as sensitive personal data or information under these rules.

In the alternative, Reasonable Security Practices Rules are deemed to be complied with if the requirements of the international standard “IS/ISO/IEC 27001” on “Information Technology– Security Techniques– Information Security Management System– Requirements” are complied with including any codes of best practices for data protection of sensitive personal data or information approved by the Government of India and formulated by any industry association of whose membership such body corporates holds.

The Reasonable Security Practices 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 Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public in accordance with Section 69A(1) of the IT Act, the reasons for which are required to be recorded by it in writing.

The DoIT has also notified the **Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“IT Intermediaries Rules”)** requiring intermediaries 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 IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries. The IT Intermediary Rules also make it mandatory for an intermediary to publish its privacy policy, rules, and regulations on its website, and establish a grievance redressal mechanism.

The Digital Personal Data Protection Act, 2023 (“DPDP Act”)

The DPDP Act was notified on August 11, 2023 and is yet to come into effect. It replaces the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of the DPDP Act. The DPDP Act seeks to balance the rights of individuals to protect their digital personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent, except in case of legitimate uses as provided under the DPDP Act. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the “DPB”) and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The DPDP Act imposes certain additional obligations on a significant data fiduciary, such as appointment of a data protection officer, appointment of an independent data auditor and undertaking of other measures namely, periodic data protection impact assessment, periodic audit and such other measures as may be prescribed under the DPDP Act. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

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

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Act was enacted. With effect from July 01, 2020 the Manufacturing enterprises and enterprises rendering Services have been re-classified as Micro enterprise, where the investment in plant and machinery does not exceed Rs.1 Crore and annual turnover does not exceed Rs. 5 Crore; Small enterprise, where the investment in plant and machinery does not exceed Rs.10 crore and annual turnover does not exceed Rs. 50 Crore; a Medium enterprise, where the investment in plant and machinery does not exceed Rs. 50 crore and annual turnover does not exceed Rs. 250 Crore.

Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016, as amended, provides for the standardization, marking and quality certification of goods or articles of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The Bureau of Indian Standards Act provides for the functions of the bureau which include, among others (a) recognize as an Indian standard, any standard established for any goods, article, process, system or service by any other institution in India or elsewhere; (b) specify a standard mark to be called the Bureau of Indian Standards Certification Mark; and (c) make such inspection and take such samples of any material or substance as may be necessary.

LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED:

Shops and Establishments laws in various states

As per the provisions of local Shops and Establishments laws applicable in the States of NCT of Delhi, Maharashtra, Uttar Pradesh and Haryana establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Stamp Act in various states

The purpose of the Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. 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 states. Therefore, the State Governments of NCT of Delhi, Maharashtra, Uttar Pradesh, Uttarakhand and Haryana, are empowered to prescribe or alter the stamp duty as per their need.

Professions, Trade, Callings and Employments Act in the State of Maharashtra

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 State of Maharashtra, is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and are also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. 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 persons 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 persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

GENERAL CORPORATE LAWS:

Companies Act, 2013

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of the 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 companies into public companies and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors, winding up, voluntary winding up, and 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 directors payable by the companies is under Part II of the said schedule.

The Registration Act, 1908

The Registration Act, 1908 (“Registration Act”) was enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. The Registration Act 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 immovable property and a lease of immovable property for any term exceeding one year or reserving a yearly rent. It also provides for non-compulsory registration of documents as enumerated in the provisions.

The Indian Contract Act, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

The Specific Relief Act, 1963

The Specific Relief Act is complementary to the provisions of the Contract Act and the Transfer of Property Act, 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 the purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means the Court will order the party to perform his part of the agreement, instead of imposing on him any monetary liability to pay damages to another party.

Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheques not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

Competition Act, 2002

The Act is to prevent practices having adverse effects on competition, to promote and sustain competition in markets, to protect interest of consumers and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

Consumer Protection Act, 2019 (“COPRA”)

The Consumer Protection Act provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA has brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online marketplace for online auction sites. The COPRA also provides for mediation cells for early settlement of the disputes between the parties.

TAX RELATED LEGISLATIONS:

Income Tax Act, 1961

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company which is assessed to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

Goods and Services Tax Act, 2017

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

EMPLOYMENT AND LABOUR LAWS:

The Payment of Wages Act, 1936

Payment of Wages Act, 1936, as amended by Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made thereunder.

The Minimum Wages Act, 1948

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. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

The Payment of Bonus Act, 1965

The Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

The Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

Maternity Benefit Act, 1961

The Act 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 10 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.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 requires establishments that employ or have employed on any day in the preceding twelve months, 20 or more workers as contract labour to be registered. The Act requires the principal employer of an establishment to which the Contract Labour Act applies to make an application for registration of the establishment to employ contract labour in the establishment. Contractor to whom the Contract Labour Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The Contract Labour Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

Employees' State Insurance Act, 1948 (ESI Act)

It is 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. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employers and employees both are required to make contributions to the fund. The return of the contribution made is required to be filed with the Employees' State Insurance Corporation.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act)

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 an equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees' Provident Scheme, 1952.

Payment of Gratuity Act, 1972

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 10 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 10 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. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

EMPLOYMENT AND LABOUR LAWS' CODIFICATION:

The Code on Wages, 2019

The Code received the assent of the President of India on August 8, 2019. The provisions of the Code shall come into effect from the date notified in the Official Gazette by the Central Government. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allow the Central Government to set a minimum statutory wage.

Occupational Safety, Health and Working Conditions Code, 2019

The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2019 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume 13 labour legislations, including the Contract Labour (Regulation and Abolition) Act, 1970, that concern our business.

The Code on Social Security, 2020

The Government of India enacted 'The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume 9 separate legislations including the Employees' 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.

The Industrial Relations Code, 2020

The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)

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 constitute an “Internal Complaints Committee” and every officer and member of the Committee 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.

Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”)

The CLPR Act seeks to prohibit the engagement of children in certain occupations and to regulate the conditions of work of children in certain other occupations. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

FOREIGN INVESTMENT LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The FTDR is the main legislation concerning foreign trade in India. The FTDR, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. 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 wide powers to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDR read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code (“IEC”) number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract a penalty under the FTDR.

Foreign Exchange Management Act, 1999 & Rules and Regulations thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 as amended in 2019, provide that the total holding by any individual NRI, on a repatriation basis, shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent 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 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

LAWS RELATING TO INTELLECTUAL PROPERTY:

The Trade Marks Act, 1999 (“Trade Marks Act”)

The Trade Marks Act, 1999 (the “Trade Marks Act”) provides for the process for making an application and obtaining registration of trade marks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

Copyright Act, 1957 (“Copyright Act”)

The Copyright Act, 1957 (the “Copyright Act”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The Designs Act, 2000 (the “Designs Act”)

The objective of the Designs Act is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. When a design is registered, the proprietor of the design has copyright in the design for ten years from the date of registration.

HISTORY AND CORPORATE STRUCTURE

Brief history of our Company:

Our Company was originally incorporated as “Sphinx Worldbiz Limited” a Public limited company under the Companies Act, 1956 at Delhi, pursuant to a certificate of incorporation dated January 29, 1996 issued by the Additional Registrar of Companies, National Capital Territory of Delhi & Haryana. We commenced commercial operations pursuant to a Certificate for Commencement of Business dated February 28, 1996 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Our Company’s Corporate Identity Number is U74899DL1996PLC075839.

Narendra Singh Surana, Shrivastav Kumar Anil, Sunil Surana, Pankaj Surana, Bimal Pat Surana, Kishor Nand Gupta & Kamal Pat Surana were the initial subscribers to the Memorandum of Association of our Company.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the sections titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Financial information of the Company*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 112, 104, 137, 156 and 206 respectively of this Draft Red Herring Prospectus.

Our Locations:

Registered Office	G-7, 20, Hari Sadan, Ansari Road, Darya Ganj, New Delhi, 110002, Delhi, India.
Corporate Office	A-27B, Sector-16, Noida, 201301, Uttar Pradesh, India.
Branch - I	Unit No. 5 to 8, Ground Floor, Pride Icon Apartment, S. No. 22/1/A/1A, Office-06, Kharadi Mundwa-Hadapsar Bypass, Kharadi - 411014, Pune, Maharashtra, India
Branch - II	Shop No. 1, Amar Kunj, Shrinath Nagar, Railway Road, Jwalapur, Haridwar - 249407, Uttarakhand, India.
Branch - III	8th Floor, Magnum Tower-1, Sector-58, Gurugram, 122011, Haryana, India.
Branch - IV	A-28, Sector-16, Noida - 201301, Uttar Pradesh, India.

Changes in the Registered Office of the Company since Incorporation:

Except as mentioned below, there has not been any change in our Registered Office since inception till the date of the Draft Red Herring Prospectus.

Effective Date	From	To	Reason for Change
November 01, 2011	19 -A, Ansari Road, 1st, Floor, Daryaganj, New Delhi, 110002, Delhi, India	G-7, 20, Hari Sadan, Ansari Road, Darya Ganj, New Delhi, 110002, Delhi, India	To increase Operational Efficiency

Main Objects of our Company as per the Memorandum of Association:

The main objects of our Company, as set forth in our Memorandum of Association, are as follows:

1. To carry on the business of Technical Software Development, Software Consultancy to develop, maintain, manage, operate in India & abroad IT enabled services & providing services in the area of Information technology, Systems strategy, Telecommunication, Networking, E-Commerce relating to web site and networking designing and architecture, internet/web technology, systems integration, marketing of computerized systems, Geographical Information System, Remote Sensing, Animation and application Software package, ERP packages, commercial and business advisory models Aid in all business activities through the medium of Internet and specialized training and educational programs using technology aids and kits, Advise & render service like technical analysis of electronic-data, data processing, preparation of project report survey in any field, analysis for implementation of project and all other activities pertaining to software project development.
2. To do the Business in India and abroad of the manufacturing and trading of all types and categories of Prototype, embedded and electrical systems.
3. To do business in India and abroad of designing and Manufacturing of Fixtures, Special purpose machine, Tools and Dies of all types and categories, Product designing Onsite and Offsite.
4. To do in India and Abroad of development of Human Resource Management System and CRM.

Amendments to the Memorandum of Association:

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Nature of Amendments
June 02, 2003	EGM	Alteration In Main Object Clause of The Company
July 02, 2003	EGM	Alteration in Clause 5 by increase in the authorized share capital of the Company from ₹50.00 Lakhs divided into 5,00,000 Equity Shares of ₹10/- each to ₹300.00 Lakhs divided into 30,00,000 Equity Shares of ₹10/- each.
May 31, 2024	EGM	Alteration in Clause 5 by increase in the authorized share capital of the Company from ₹300.00 Lakhs divided into 30,00,000 Equity Shares of ₹10/- each to ₹2300.00 Lakhs divided into 2,30,00,000 Equity Shares of ₹10/- each.
		Alteration In Main Object Clause of The Company
		Adoption of Memorandum of Association as per Companies Act, 2013.

Major Key Events, Milestone and Achievements of our Company:

The Table below sets forth some of the major events in the history of our company:

Year/F.Y.	Key Events / Milestone / Achievements/ Awards/ Recognitions/ Accreditations
1996	Incorporation of the Company.
2017	Aquired Corporate Office i.e. A-27B, Sector-16, Gautam Buddha Nagar, Noida - 201301, Uttar Pradesh, India.
2020	Acquired Branch-I i.e. Unit No. 5 to 8, Ground Floor, Pride Icon Apartment, S. No. 22/1/A/1A, Office-06, Kharadi Mundwa-Hadapsar Bypass, Kharadi - 411014, Pune, Maharashtra, India.
2023	Crossed Revenue of ₹50 crores

Other details about our Company:

For details of our Company's activities, products, growth, awards & recognitions, capacity, location of stores, technology, marketing strategy, competition and our customers, please refer section titled "**Our Business**", "**Management's Discussion and Analysis of Financial Conditions and Results of Operations**" and "**Basis for Issue Price**" on pages 112, 206 and 94 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "**Our Management**" and "**Capital Structure**" beginning on page 137 and 70 of the Draft Red Herring Prospectus respectively.

Capital Raising (Debt / Equity):

For details in relation to our capital raising activities through equity, please refer to the chapter titled "**Capital Structure**" beginning on page 70 of the Draft Red Herring Prospectus. For details of our Company's debt facilities, see "**Statement of Financial Indebtedness**" on page 202 of the Draft Red Herring Prospectus.

Changes in activities of our Company during the last five (5) Years:

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Draft Red Herring Prospectus.

Our Holding Company:

As on the date of the Draft Red Herring Prospectus, our Company is not a subsidiary of any company.

Our Subsidiary:

Our Company does not have any Subsidiary Company as on the date of this Draft Red Herring Prospectus:

Our Associates Company:

Our Company does not have any Associate Company as on the date of this Draft Red Herring Prospectus.

Joint Ventures:

The Company has not formed any joint ventures as on the date of this Draft Red Herring Prospectus.

Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation, Revaluation of Assets etc.

Except as disclosed in this Draft Red Herring Prospectus, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Draft Red Herring Prospectus.

Injunction or Restraining Order:

Except as disclosed in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 215 of this Draft Red Herring Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

Number of shareholders of our Company:

Our Company has 8 (Eight) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 70 of the Draft Red Herring Prospectus.

Changes in the Management:

For details of change in Management, please see chapter titled “*Our Management*” on page 137 of the Draft Red Herring Prospectus.

Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, 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 the Company.

Shareholders Agreements:

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Red Herring Prospectus.

Collaboration Agreements:

As on date of this Draft Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

Material Agreement:

Except as disclosed in this Draft Red Herring Prospectus, our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

Strategic or Financial Partners:

Except as disclosed in this Draft Red Herring Prospectus, Our Company does not have any strategic or financial partners as on the date of this Draft Red Herring Prospectus.

Time and Cost Overruns in Setting up Projects:

There has been no time / cost overrun in setting up projects by our Company.

Defaults or Rescheduling of Borrowings with Financial Institutions/Banks:

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft Red Herring Prospectus.

Other Agreements:

i. Non-Compete Agreement:

Our Company has not entered into any Non- compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

ii. Joint Venture Agreement:

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.

OUR MANAGEMENT**Board of Directors:**

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

Name, Designation, Age, Date of Birth, Address, Experience, Occupation, Qualification, Current term, Period of Directorship and DIN	Other directorships
<p>Narendra Singh Surana Designation: Chairman & Managing Director Age: 69 years Date of Birth: December 29, 1954 Address: G27, Sector 39, Gautam Buddha Nagar, Noida, 201301, Uttar Pradesh, India. Experience: 28 years Occupation: Business Qualification: Post Graduate Diploma in Business Management Current Term: Change in designation as Chairman & Managing Director of the Company for a period of 3 years, w.e.f. July 01, 2024 Period of Directorship: Since Incorporation DIN: 01470765</p>	<ol style="list-style-type: none"> 1. Sphinx Design and Engineering Services Private Limited 2. New Villa Properties & Finance Pvt Ltd
<p>Sudhanshu Surana Designation: Whole Time Director & Chief Executive Officer Age: 42 years Date of Birth: January 30, 1982 Address: G27, Sector 39, Gautam Buddha Nagar, Noida, 201301, Uttar Pradesh, India. Experience: 17 years Occupation: Business Qualification: Diploma of Business (International - UNILINK) Current Term: Change in designation as Whole Time Director of the Company for a period of 3 years, w.e.f. July 01, 2024 and Further, Designated as Chief Executive officer w.e.f June 04, 2024. Period of Directorship: w.e.f December 06, 2010. DIN: 01820114</p>	<ol style="list-style-type: none"> 1. New Villa Properties & Finance Pvt Ltd 2. Shrmpro Private Limited 3. Sphinx Design and Engineering Services Private Limited
<p>Avishkar Surana Designation: Whole Time Director & Chief Financial Officer Age: 33 years Date of Birth: September 16, 1991 Address: G27, Sector 39, Gautam Buddha Nagar, Noida, 201301, Uttar Pradesh, India. Experience: 10 years Occupation: Business Qualification: Post Graduate Diploma in Management Current Term: Whole Time Director of the Company for a period of 3 years, w.e.f. July 01, 2024 and Further, Designated as Chief financial officer w.e.f June 04, 2024. Period of Directorship: w.e.f October 10, 2016 DIN: 07633160</p>	<ol style="list-style-type: none"> 1. SHRMPRO Private Limited 2. Sphinx Worldbiz Inc 3. Sphinx Worldbiz GmbH
<p>Ajay Jain Designation: Whole Time Director Age: 44 years Date of Birth: November 06, 1979 Address: 527-528 Double Storey Third Floor, New Rajinder Nagar, New Delhi, 110060, Delhi, India. Experience: 22 years Occupation: Business Qualification: Bachelor of Technology (Mechanical Engineering) Current Term: Change in designation as Whole Time Director of the Company for a period of 3 years, w.e.f. July 01, 2024</p>	<ol style="list-style-type: none"> 1. Sphinx Design and Engineering Services Private Limited

<p>Period of Directorship: w.e.f December 06, 2010 DIN: 02704846</p>	
<p>Prateechi Agarwal Designation: Non-Executive Director Age: 59 years Date of Birth: May 24, 1965 Address: R - 9/224 Rajnagar, Ghaziabad, 201002, Uttar Pradesh, India. Experience: 36 years Occupation: Business Qualification: Chartered Accountant & Ph.D. in Commerce Current Term: Appointed as Non-Executive Director of the Company w.e.f. May 04, 2024. Period of Directorship: w.e.f May 04, 2024. DIN: 00188395</p>	Nil
<p>Deepak Jain Designation: Independent Director Age: 61 Years Date of Birth: April 08, 1963 Address: House No. 628, Sector 21, Gurgaon, 122001, Haryana, India. Experience: 39 Years Occupation: Professional Qualification: Fellow Programme (Ph.D.) in Management & Master of Management Studies Current Term: Appointed as Independent Director of the Company for a period of 5 years, w.e.f. May 04, 2024 and shall not be liable to retire by rotation Period of Directorship: w.e.f May 04, 2024. DIN: 10600972</p>	1. Jay Ushin Limited
<p>Ved Prakash Yajurvedi Designation: Independent Director Age: 67 years Date of Birth: January 26, 1957 Address: E-33, Ayudh Vihar, Plot No. 3, Sector 13, Dwarka, Delhi Contonment, South West Delhi, 110078, Delhi, India. Experience: More than 4 Decadess Occupation: Business Qualification: Master of Engineering Current Term: Appointed as Independent Director of the Company for a period of 5 years, w.e.f. May 04, 2024 and shall not be liable to retire by rotation Period of Directorship: w.e.f May 04, 2024. DIN: 08523448</p>	Nil
<p>Vivek Kumar Designation: Independent Director Age: 68 years Date of Birth: April 21, 1956 Address: C-492, Yojana Vihar, East Delhi, 110092, Delhi, India. Experience: 24 Years Occupation: Business Qualification: Bachelor of Engineering & Master of Business Administration (MBA) Current Term: Appointed as Independent Director of the Company for a period of 5 years, w.e.f. May 04, 2024 and shall not be liable to retire by rotation Period of Directorship: w.e.f May 04, 2024. DIN: 00206819</p>	1. Sagar Quality Management Services Private Limited

Brief Profile of Directors:

1. **Narendra Singh Surana**, is one of our Promoter, Chairman & Managing Director of our Company. He has been associated with the Company since incorporation. He has completed his Post Graduate Diploma in Business Management from Institute of Management Technology, Ghaziabad in the year 1985, He has an overall work experience of more than 28 years out of which he has an experience of more than 20 years in the field of Engineering Solution Industry. He has been involved in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the business development and overall management of the business of our Company. Under his guidance, our Company has witnessed continuous growth.
2. **Sudhanshu Surana**, is one of our Promoter, Whole Time Director & Chief Executive Officer of our Company. He has been associated with the Company since 2010. He has completed his Diploma of Business (International - UNILINK) & Bachelor of Information Systems in the year 2004 from Swinburne University of Technology. He has a work experience of over 17 years' experience in handling, Human Resource, Information Technology & Software Engineering Division and Implementing strategies and effective implementation of the same and played an important role in the growth of the company.
3. **Avishkar Surana**, is one of our Promoter, Whole Time Director & Chief Financial Officer of our Company. He completed his Post Graduate Diploma in Management from Institute of Management Technology, Hyderabad in the year 2014. He has a work experience of over 10 years in managing the marketing department of the company also he has been overseeing the finance department of the company, He plays a crucial role in client engagement, ensuring service delivery, business development, managing the group company's finances.
4. **Ajay Jain**, is Whole Time Director of our Company. He has completed his Bachelor of Technology (Mechanical Engineering) from Kurukshetra University in the year 2002. He has been associated with the Company since 2010. He has a work experience of more than 22 years in the field of engineering services and rapid prototyping. He plays a crucial role in Team Management, ensuring service delivery excellence, managing the engineering & prototype division of the company.
5. **Prateechi Agarwal** is a Non-Executive Director of our Company. She became Chartered Accountant in the year 1988 and completed her Doctorate (Ph.D.) in commerce from CCS University, Meerut in the year 2008 and. She has a work experience of more than 32 years in the field of Accountancy, Taxation and Statutory Reporting. She looks after the Administration, accountancy & taxation related matters of the company.
6. **Deepak Jain** is an independent director of our Company. He completed his Master of Management Studies from B.I.T.S. Pilani in 1985 and his Fellow Programme in Management (Ph.D.) from Management Development Institute in 2011. He has over 39 years of experience in leading environmental sustainability, energy management, and operational excellence initiatives, with a proven track record in driving compliance, setting targets, and implementing innovative solutions for business growth. Prior to his association with our company, he was associated with Maruti Suzuki for 36 years until 2021.
7. **Ved Prakash Yajurvedi**, is an independent Director of our Company. He completed his Master of Engineering from the University of Roorkee in 1981 and an MBA in Material Management from Madhya Pradesh Bhoj University in 2004. He has overall work experience of more than four decades. Prior to his association with our company, he served with the Ordnance Factory Board, Ministry of Defence, Government of India, for 38 years until 2017. Thereafter, he was associated with Irel (India) Limited as a Director and also served as an Independent External Monitor for government entities. He possesses rich experience in Material Management, Finance, Supply Chain Management, Administration, Defence Production, and Strategic Management.
8. **Vivek Kumar**, is an independent Director of our Company. He completed his Bachelor of Engineering in Electrical Engineering from the University of Roorkee in 1979 and his Master of Business Administration (MBA) from the University of Delhi in 1981. He has over 24 years of experience in factory operations, project planning, product design, technology transfer, supplier development, project purchasing, imports, production planning, materials planning, plant layout, routing, productivity management, supply chain management, and manpower handling. Prior to his association with our company, he served as a Director at Relaxo Footwears Limited for 17 years.

Confirmations:

As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- b) None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- c) None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.
- e) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Director or member of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Pursuant to a special resolution passed at an extra Ordinary General Meeting of our Company held on July 29, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have been authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 100 crores (Rupees One Hundred Crores Only).

Compensation of our Managing Director & Whole-time Director

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director, Whole time Director & Executive Director.

Narendra Singh Surana: Chairman & Managing Director

Pursuant to the resolutions passed by our Board and our Shareholders on June 04, 2024 and July 01, 2024 respectively, Narendra Singh Surana designated as Chairman & reappointed as Managing Director for a period of three years with effect from July 01, 2024 at a remuneration of upto Rs 5,31,250/- per month, which includes, basic salary, dearness allowance, perquisites and other allowances or any other combination thereof.

Sudhanshu Surana: Whole Time Director & CEO

Pursuant to the resolutions passed by our Board and our Shareholders on June 04, 2024 and July 01, 2024 respectively, Sudhanshu Surana was designated as CEO & reappointed as Whole Time Director for a period of three years with effect from July 01, 2024 at a remuneration of upto Rs 4,37,500/- per month, which includes, basic salary, dearness allowance, perquisites and other allowances or any other combination thereof.

Avishkar Surana: Whole Time Director & CFO

Pursuant to the resolutions passed by our Board and our Shareholders on June 04, 2024 and July 01, 2024 respectively, Avishkar Surana was designated as CFO & reappointed as Whole Time Director for a period of three years with effect from July 01, 2024 at a remuneration of upto Rs 4,37,500/- per month, which includes, basic salary, dearness allowance, perquisites and other allowances or any other combination thereof

Ajay Jain: Whole Time Director

Pursuant to the resolutions passed by our Board and our Shareholders on June 04, 2024 and July 01, 2024 respectively, Ajay Jain was appointed as Whole Time Director for a period of three years with effect from July 01, 2024 at a remuneration of upto Rs 1,19,000/- per month, which includes, basic salary, dearness allowance, perquisites and other allowances or any other combination thereof.

Payments or benefits to Directors

The remuneration paid to our Directors for FY 2023-24 is as follows:

Name of Directors	Remuneration (Rs. In lakhs)
Narendra Singh Surana	51.00
Sudhanshu Surana	42.00
Avishkar Surana	42.00
Ajay Jain	11.88

Bonus or Profit-Sharing plan for our directors:

We have no bonus or profit-sharing plan for our directors.

Sitting Fees:

As per Articles of Association of our Company and pursuant to Board Resolution dated July 03, 2024. The remuneration payable in terms of sitting fees to the Directors (including Independent Directors) for attending the Meetings of the Board and Committee thereof shall not exceed the limits prescribed under Section 197(5) of the Companies Act, 2013.

Shareholding of our Directors as on the date of this Draft Red Herring Prospectus: -

Sr. No.	Name of the Directors	No. of Shares held	Holding in %
1.	Narendra Singh Surana	92,85,864	59.67
2.	Sudhanshu Surana	30,95,288	19.89
3.	Avishkar Surana	30,95,288	19.89
	Total	1,54,76,440	99.44

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

We do not have Subsidiary Company as defined under Section 2(87) of the Companies Act, 2013.

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled “**Our Management**” beginning on page 137 of this Draft Red Herring Prospectus.

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors 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 the Directors towards Financial facilities of our Company please refer to “**Statement of Financial Indebtedness**” on page 202 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section “**Our Management**” or the section titled “**Financial information of the Company – Annexure - Z - Related Party Disclosure**” beginning on page 137 and 191 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our directors do not have any other interest in our business.

Interest in the property of Our Company:

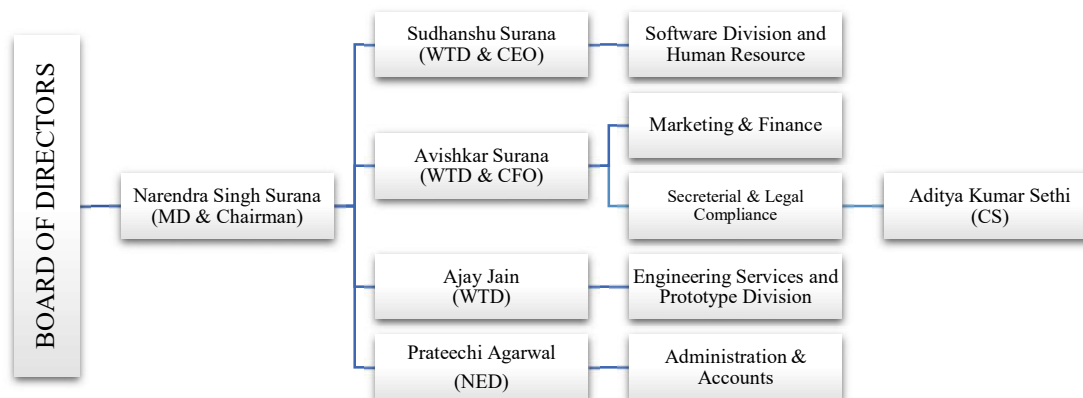
Our directors do not have any other interest in any property acquired/rented by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus:

Changes in Board of Directors in last 3 Years

Sr. No.	Name of Directors	Date of Appointment / Re- appointment/ Change in designation	Reasons for Change
1.	Narendra Singh Surana	Reappointed as Managing Director and designated as Chairman w.e.f. July 01, 2024.	To ensure better Corporate Governance and compliance with the Companies Act, 2013
2.	Sudhanshu Surana	Designated as Chief Executive Officer w.e.f. June 04, 2024. And Further, Reappointed as Whole Time Director w.e.f. July 01, 2024	
3.	Avishkar Surana	Designated as Chief Financial Officer w.e.f. June 04, 2024 & Further, Reappointed as Whole Time Director w.e.f. July 01, 2024	
4.	Ajay Jain	Change in Designation as Whole Time Director w.e.f. July 01, 2024	
5.	Prateechi Agarwal	Appointed as Additional Non- Executive Director w.e.f. May 04, 2024 and regularized as Non- Executive Director in the EGM dated May 31, 2024.	
6.	Deepak Jain	Appointed as Additional Independent Director w.e.f. May 04, 2024 and regularized as Independent Director in the EGM dated May 31, 2024.	
7.	Ved Prakash Yajurvedi	Appointed as Additional Independent Director w.e.f. May 04, 2024 and regularized as Independent Director in the EGM dated May 31, 2024.	
8.	Vivek Kumar	Appointed as Additional Independent Director w.e.f. May 04, 2024 and regularized as Independent Director in the EGM dated May 31, 2024.	

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure: -



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company’s Equity Shares on Stock Exchanges. We are in compliance with the requirements of corporate governance with respect to composition of Board and constitution of the committees of the Board, including the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee, by our Company and formulation and adoption of policies, as prescribed under the SEBI Listing Regulations. Our Board undertakes to take all necessary steps to continue to comply with all the requirements of Listing Regulations and the Companies Act, 2013.

Our Board has been constituted in compliance with the Companies Act, the SEBI (LODR) Regulations. The Board of Directors function either as a full board or through various committees constituted to oversee specific operational areas.

Our Board of Directors consist of Eight (8) Directors of which three (3) are Independent Directors, and we have one women director on the Board. In compliance with Section 152 of the Companies Act, 2013, not less than two thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

Committees of the Board:

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. In addition to the Committees detailed below, our Board of Directors may, from time to time constitute Committees for various functions.

Details of the Committees as on the date of this Draft Red Herring Prospectus are set forth below

1. Audit Committee

Our Company at its Board Meeting held on July 03, 2024 has Constituted an Audit Committee (“Audit Committee”) in compliance with the provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Audit Committee comprises following members:

Name of the Directors	Status in Committee	Nature of Directorship
Vivek Kumar	Chairman	Independent Director
Ved Prakash Yajurvedi	Member	Independent Director
Prateechi Agarwal	Member	Non-Executive Director

The Company Secretary of the Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Extra Ordinary General Meeting of the Company to furnish clarifications to the shareholders on any matter relating to accounts. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee:

The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher.

C. Role and Powers:

The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

The Audit Committee shall have powers, including the following:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- e) To have full access to information contained in records of Company.

The role of the Audit Committee shall include the following:

- 1) oversight the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5) Reviewing, with the management, the annual financial statements and auditor's report thereon 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;
 - 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; and
 - g. Qualifications and modified opinions in the draft audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This

also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 14) 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;
- 15) Discussing with internal auditors on any significant findings and follow up thereon;
- 16) 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;
- 17) Discussing 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;
- 18) Looking 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;
- 19) Reviewing the functioning of the whistle blower mechanism;
- 20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
- 24) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, the Audit Committee shall mandatorily review the following information:

- 1) management discussion and analysis of financial condition and results of operations;
- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses;
- 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) 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 ICDR Regulations;
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

2. Nomination and Remuneration Committee

Our Company at its Board Meeting held on July 03, 2024 has re-constituted the Nomination and Remuneration Committee in compliance with the provisions of Section 178, Schedule V and all other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Nomination and Remuneration Committee comprises following members:

Name of the Directors	Status in Committee	Nature of Directorship
Ved Prakash Yajurvedi	Chairman	Independent Director
Deepak Jain	Member	Independent Director
Prateechi Agarwal	Member	Non-Executive Director

The Company Secretary of the Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure:

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings:

The committee shall meet as and when the need arises, subject to at least one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

C. Scope and terms of reference:

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:

- 1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) For the appointment of an independent director, the 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 of directors of the Company 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 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) formulation of criteria for evaluation of the performance of independent directors and the Board;
- 4) devising a policy on diversity of our Board;
- 5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- 6) determining 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) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- 8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- 9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
- 10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- 11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- 12) analyzing, monitoring and reviewing various human resource and compensation matters;
- 13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- 15) Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

3. Stakeholders Relationship Committee

Our Company at its Board Meeting held on July 03, 2024 has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Directors	Status in Committee	Nature of Directorship
Deepak Jain	Chairman	Independent Director
Vivek Kumar	Member	Independent Director
Avishkar Surana	Member	Whole-time Director & CFO

The Company Secretary of our Company shall act as a Secretary to the Stakeholder Relationship Committee. The scope and function of the Stakeholder Relationship Committee and its terms of reference shall include the following:

A. Tenure:

The Stakeholder 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 Relationship Committee as approved by the Board.

B. Meetings:

The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of re-dressal of the complaints received from the shareholders of the Company. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

C. Scope and terms of reference:

The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:

- 1) Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders;
- 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- 5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- 6) To approve, register, refuse to register transfer or transmission of shares and other securities;
- 7) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- 8) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
- 9) To dematerialize or rematerialize the issued shares;
- 10) Ensure proper and timely attendance and redressal of investor queries and grievances;
- 11) Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
- 12) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).
- 13) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law

4. Corporate Social Responsibility Committee

Our company has pursuant to the provisions of Section 135 of the Companies Act 2013 and Schedule VII constituted a Corporate Social Responsibility Committee of the Board of Directors vide Resolution dated July 03, 2024. The Corporate Social Responsibility Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Ved Prakash Yajurvedi	Chairman	Independent Director
Narendra Singh Surana	Member	Managing Director
Sudhanshu Surana	Member	Whole time Director & CEO

The terms of reference of the CSR Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013;
3. To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken the Company from time to time;
4. To Monitor the Corporate Social Responsibility policy of the Company from time to time;
5. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation, Educational Qualification & Term of office	Age (Years)	Year of Joining	Compensation paid for F.Y. ended 2023-24 (in Rs. Lakh)	Overall experience (in years)	Previous employment
Narendra Singh Surana Designation: Chairman & Managing Director Educational Qualification: Post Graduate Diploma in Business Management Term of office: 3 years w.e.f. July 01, 2024	69	1996	51.00	28 Years	-
Sudhanshu Surana Designation: Whole Time Director & CEO Educational Qualification: Diploma of Business (International - UNILINK) Term of office: 3 years w.e.f. July 01, 2024	42	2010	42.00	17 Years	-
Avishkar Surana Designation: Whole Time Director & CFO Educational Qualification: Post Graduate Diploma in Management Term of office: 3 years w.e.f. July 01, 2024	33	2014*	42.00	10 Years	-
Ajay Jain Designation: Whole Time Director Educational Qualification: Post Graduate Diploma in Management Term of office: 3 years w.e.f. July 01, 2024	44	2002*	11.88	22 Years	-
Aditya Kumar Sethi Designation: Company Secretary and Compliance Officer Educational Qualification - Company Secretary	33	2024	NA	6 Years	Narmada Thermal Power Private Limited

*Avishkar Surana joined our company in the year 2014 as an employee, further appointed as director in the year 2016. Also, Ajay Jain joined our company in the year 2002 as an employee, further appointed as director in the year 2010.

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Narendra Singh Surana - Please refer to section “*Brief Profile of our Directors*” beginning on page 137 of this Draft Red Herring Prospectus for details.

Sudhanshu Surana - Please refer to section “*Brief Profile of our Directors*” beginning on page 137 of this Draft Red Herring Prospectus for details.

Avishkar Surana - Please refer to section “*Brief Profile of our Directors*” beginning on page 137 of this Draft Red Herring Prospectus for details.

Ajay Jain - Please refer to section “**Brief Profile of our Directors**” beginning on page 137 of this Draft Red Herring Prospectus for details.

Aditya Kumar Sethi is the Company Secretary and Compliance Officer of our Company. He is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India. He has experience of 6 years in the field of secretarial and corporate law compliances. He is currently responsible for the overall Corporate Governance and secretarial Compliance and functions of our Company.

We confirm that:

- a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- c. None of our KMPs except Narendra Singh Surana, Sudhanshu Surana, Avishkar Surana & Ajay Jain are also part of the Board of Directors.
- d. In respect of all above-mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the Financial Year ended March 31, 2024.
- e. Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- f. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- g. None of the Key Managerial Personnel hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except as under.

Sr. No.	Name of the KMPs	No of shares held
1.	Narendra Singh Surana	92,85,864
2.	Sudhanshu Surana	30,95,288
3.	Avishkar Surana	30,95,288
4.	Ajay Jain	-
Total		1,54,76,440

- h. Presently, we do not have Employee Stock Option Plan (ESOP)/ Employee Stock Purchase Scheme (ESPS) for our employees.

Nature of any family relationship between our Directors and Key Managerial Personnel (KMP)

Except as detailed below, none of our Key Management Personnel or Directors are related to each other, within the meaning of section 2(77) of the Companies Act, 2013

Sr. No.	Name of the Director/KMP	Relationship
1.	Narendra Singh Surana	Father of Sudhanshu Surana & Avishkar Surana
2.	Sudhanshu Surana	Son of Narendra Singh Surana & Brother of Avishkar Surana
3.	Avishkar Surana	Son of Narendra Singh Surana & Brother of Sudhanshu Surana

Payment of benefits to officers of Our Company (non-salary related)

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer’s employment in our Company or superannuation. Contributions are made by our Company towards the Provident fund, Gratuity fund and Employee State Insurance

Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Sr. No.	Name of Directors/ KMP's	Designation and period	Appointment/ Cessation/Re-designation	Reasons
1.	Narendra Singh Surana	Reappointed as Managing Director & Designated as Chairman in the EGM dated July 01, 2024	Change in designation	To comply with the provisions of the Companies Act 2013 and to ensure better Corporate Governance
2.	Sudhanshu Surana	Designated as CEO w.e.f June 04, 2024 and Reappointed as Whole Time Director in the EGM dated July 01, 2024	Change in designation	
3.	Avishkar Surana	Designated as CFO w.e.f June 04, 2024 and Reappointed as Whole Time Director in the EGM dated July 01, 2024	Change in designation	
4.	Ajay Jain	Change in designation to Whole Time Director w.e.f July 01, 2024	Change in designation	
5.	Aditya Kumar Sethi	Appointed as Company Secretary & Compliance Officer w.e.f. September 25, 2024	Appointment	

Interest of our Key Managerial Personnel

Apart to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company, none of our Key Managerial Personal is interested in our Company. For details, please refer section titled "*Financial information of the Company – Annexure Z - Related Party Disclosures*" beginning on page 191 of this Draft Red Herring Prospectus.

Interest in the property of our Company

Our KMPs do not have any interest in any property acquired by our Company in a period of two years before the filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of filing the Prospectus with RoC.

Details of the Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

Loans given/availed by Directors / Key Managerial Personnel of our Company

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 to "*Annexure - Z – Related Party Disclosure*" page 191 of this Draft Red Herring Prospectus.

Employee Stock Option Plan ('ESOP')/ employee stock purchase scheme ('ESPS Scheme') to Employees

Presently, we do not have any ESOP/ESPS Scheme for our employees.




OUR PROMOTER & PROMOTER GROUP

OUR PROMOTERS:

The Promoters of our Company are Narendra Singh Surana, Sudhanshu Surana and Avishkar Surana.

As on date of this Draft Red Herring Prospectus, the Promoters, in aggregate, hold 1,54,76,440 Equity shares of our Company, representing 99.44% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters shareholding in our Company, see “*Capital Structure – History of the Equity Share Capital held by our Promoters*”, on pages 70 of this Draft Red Herring Prospectus.

Brief Profile of our Promoters is as under:

	<p>Narendra Singh Surana – Chairman & Managing Director</p> <p>Narendra Singh Surana, aged 69 years, is our promoter and also serves as the Chairman and Managing Director of our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see “<i>Our Management – Brief profile of Directors</i>” on page 137 of this Draft Red Herring Prospectus.</p> <p>Other ventures of our Promoters – Except as disclosed below and set out in the chapter titled ‘<i>Our Management</i>’, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p>His permanent account number is ABIPS0480K.</p> <p>For details of his shareholding, please see “<i>Capital Structure</i>” on page 70 of this Draft Red Herring Prospectus.</p>
	<p>Sudhanshu Surana– Whole Time Director & CEO</p> <p>Sudhanshu Surana, aged 42 years, is our promoter, Whole Time Director, and Chief Executive Officer of our company. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see “<i>Our Management – Brief profile of Directors</i>” on page 137 of this Draft Red Herring Prospectus.</p> <p>Other ventures of our Promoters – Except as disclosed below and set out in the chapter titled ‘<i>Our Management</i>’, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p>His permanent account number is BCVPS6999G.</p> <p>For details of his shareholding, please see “<i>Capital Structure</i>” on page 70 of this Draft Red Herring Prospectus.</p>
	<p>Avishkar Surana – Whole Time Director & CFO</p> <p>Avishkar Surana, aged 33 years, is our promoter and the Whole Time Director and Chief Financial Officer of our company. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see “<i>Our Management – Brief profile of Directors</i>” on page 137 of this Draft Red Herring Prospectus.</p> <p>Other ventures of our Promoters – Except as disclosed below and set out in the chapter titled ‘<i>Our Management</i>’, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p>His permanent account number is DOYPS6343B.</p> <p>For details of his shareholding, please see “<i>Capital Structure</i>” on page 70 of this Draft Red Herring Prospectus.</p>

Confirmations/Declarations:

In relation to our Promoters, Narendra Singh Surana, Sudhanshu Surana and Avishkar Surana, our Company confirms that the PAN, Bank Account Numbers, Passport Number, Aadhaar Card Number and Driving License number shall be submitted to stock exchange at the time of filing of this Draft Red Herring Prospectus.

Undertaking/ Confirmations:

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the Promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the Promoters during the past three years.
- Our Company or any of our Promoters or Group Company or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters is disclosed in chapter titled "***Outstanding Litigations and Material Developments***" beginning on page 215 of this Draft Red Herring Prospectus.
- None of our Promoters, person in control of our Company is or have ever been a Promoters, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Interest of our Promoters:

i. Interest in promotion and shareholding of Our Company:

Our Promoters is interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Red Herring Prospectus, our Promoters, Narendra Singh Surana, Sudhanshu Surana and Avishkar Surana are collectively holds 1,54,76,440 Equity Shares in our Company i.e. 99.44% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to *Annexure - Z – "Related Party Transactions"* beginning on page 191 of this Draft Red Herring Prospectus.

For details regarding the shareholding of our Promoters in our Company, please see "***Capital Structure***" on page 70 of this Draft Red Herring Prospectus.

ii. Interest in the property of Our Company:

Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

iii. In transactions for acquisition of land, construction of building and supply of machinery:

None of our Promoters or Directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

iv. Other Interests in our Company:

For transactions in respect of loans and other monetary transactions entered in past please refer *Annexure - Z* on “*Related Party Transactions*” on page 191 forming part of “*Financial Information of the Company*” of this Draft Red Herring Prospectus.

Further, our Promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to “*Statement of Financial Indebtedness*” and “*Financial Information of Our Company*” on page 202 and 156 respectively of this Draft Red Herring Prospectus.

Payment or Benefits to our Promoters and Promoter Group during the last 2 years:

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph “*Compensation of our Managing Director*” in the chapter titled “*Our Management*” beginning on page 137 also refer *Annexure - Z* on “*Related Party Transactions*” on page 191 forming part of “*Financial Information of the Company*” and Paragraph on “*Interest of Promoters*” in chapter titled “*Our Promoter and Promoter Group*” on page 151 of this Draft Red Herring Prospectus.

Companies/Firms with which our Promoters have disassociated in the last (3) three years

None of our Promoters have disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

Other ventures of our Promoters

Save and except as disclosed in this section titled “*Our Promoter & Promoter Group*” beginning on page 151 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 215 of this Draft Red Herring Prospectus.

Experience of Promoters in the line of business

Our promoters, Narendra Singh Surana, Sudhanshu Surana, and Avishkar Surana, have 20, 17, and 10 years of experience, respectively, in the Engineering Design Services industry. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

Except as stated in “*Annexure – Z Related Party Transactions*” beginning on page 191 of this Draft Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group:

As per Regulation 2(1)(pp)(ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

Relationship	Name of the Relatives		
	Narendra Singh Surana	Sudhanshu Surana	Avishkar Surana
Father	Late Shri Bachhraj Surana	Narendra Singh Surana	Narendra Singh Surana
Mother	Late Mohini Devi Surana	Pushpa Devi Surana	Pushpa Devi Surana
Spouse	Pushpa Devi Surana	Saloni Sharma	Aakriti

Brother	Late Shri Hansraj Surana	Avishkar Surana	Sudhanshu Surana
	Late Shri Kamal Pat Surana		
	Bimal Pat Surana		
	Kanak Singh Surana		
	Vinod Kumar Surana		
Sister	Late Bimla Devi Gadhiya	-	-
	Sampat Devi Lodha		
	Chandrakala Nahat		
Son	Sudhanshu Surana	Saarth Surana	Abeer Surana
	Avishkar Surana		
Daughter	-	-	Aavya Surana
Spouse's Father	Late Shri Chhaganlal Golcha	Ajay Sharma	Deepak Jain
Spouse's Mother	Late Sohini Devi Golcha	Anjali Sharma	Vandana Jain
Spouse's Brother	Late Mohan Lal Golcha	Raman Sharma	-
	Rattan Lal		
	Kamal Golcha		
	Late Nirmal Golcha		
	Punam Kumar Golcha		
Spouse's Sister	Kanchan Devi Sethia	-	Jayshree Jain

2. Corporate Entities or Firms forming part of the Promoter Group:

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

S. No.	Nature of Relationship	Name of Entities
1.	Any Body Corporate in which 20% or more of the Equity Share Capital is held by Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family (HUF) in which Promoter or any one or more of his immediate relatives are a member.	1. Sphinx Design and Engineering Services Private Limited 2. Shmpro Private Limited 3. New Villa Properties & Finance Pvt Ltd 4. Pvee Electronics Export & Import Private Limited
2.	Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and	-
3.	Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital;	1. Narendra Singh Surana HUF

3. Other persons included in Promoter Group:

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018.

DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year 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. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have a formal dividend policy for declaration of dividend in respect of 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 will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the last three financial years and for the period from March 31, 2024 to the date of the filing of this Draft Red Herring Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION VI
FINANCIAL INFORMATION OF THE COMPANY

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors of
Sphinx WorldBiz Limited
A-27B, Sector-16, Gautam Buddha Nagar,
Noida - 201301, Uttar Pradesh, India.

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of **Sphinx WorldBiz Limited**.

We have examined the attached Restated Financial Statement of **Sphinx WorldBiz Limited** (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, the statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Statement) as approved by the Board of Directors in their meeting held on September 25, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus ("**Offer Document**") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) prepared in terms of the requirement of:-

- a) Section 26 & 32 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("SEBI ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2020) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")

The Company's Board of Directors is responsible for the preparation of the Restated Financial Statement for the purpose of inclusion in the Offer Document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Delhi in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022 on the basis of notes to restatement in Annexure IV to the Restated Financial Statement. The Board of Directors of the company's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, SEBI (ICDR) Regulations and the Guidance Note.

We, **M/s. S.R. Goyal & Co**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer Review Certificate dated 24th September, 2021 is valid till 30th September, 2024. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us.

We have examined such Restated Financial Statement taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 5th August, 2024 in connection with the proposed IPO of equity shares of the Company;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and

- d) The requirements of Section 26 & 32 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the IPO.

These Restated Financial Statements have been compiled by the management from the Audited Financial Statements of the company as at and for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India,

Based on our examination and according to the information and explanation given to us, we report that the Restated Financial Information have been prepared:

- a) after incorporating adjustments for the changes in accounting policies, material error and regrouping/ reclassifications retrospectively, if any in the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and
- b) There are no qualifications in the auditors' reports on the financial statements of as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, which require any adjustments to the Restated Financial Statements.
- c) In accordance with the Act, SEBI ICDR Regulations and the Guidance Note.

For the purpose of our examination, we have relied on the Auditors' Report issued by the Previous Auditor MANV & Associates dated 27th August, 2024, 06th September, 2023 and 05th September, 2022 for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

The modification in Restated Financial Statements were carried out based on the modified reports, if any, issued by Previous Auditor which is giving rise to modifications on the financial statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022.

- a) The Restated Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- b) The Restated Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;
- c) Extra-ordinary items that need to be disclosed separately in the accounts have been disclosed wherever required;
- d) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report;
- e) Adjustments in Restated Financial Statement have been made in accordance with the correct accounting policies,
- f) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.
- g) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statement
- h) The Company has not paid dividend during FY 2021-22 to FY 2023-24.
- i) The Restated Financial Statements does not contain any qualifications requiring adjustments.

In accordance with the requirements of the Act including the rules made there under, SEBI ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- a) The **“Restated Statement of Asset and Liabilities”** of the Company as at March 31, 2024, March 31, 2023 and March 31, 2022 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 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.

- b) The “**Restated Statement of Profit and Loss**” of the Company for the period March 31, 2024, March 31, 2023 and March 31, 2022 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.
- c) The “**Restated Statement of Cash Flows**” of the Company for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 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 the restated summary statements to this report.

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 Financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 proposed to be included in the Offer Document for the proposed IPO.

Restated Statement of Share Capital, Reserves and Surplus	Annexure-A
Restated Statement of Long Term, Statement of principle Term of Secured Term loan and Assets charges as security and Statement of terms & Condition of Unsecured Loans.	Annexure-B, B(A) and B(B)
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure-C
Restated Statement of Other long-term liabilities	Annexure-D
Restated Statement of Long-term provision	Annexure-E
Restated Statement of Short-term Borrowings	Annexure-F
Restated Statement of Trade Payables	Annexure-G
Restated Statement of Other Current Liabilities	Annexure-H
Restated Statement of Short-Term Provisions	Annexure-EE
Restated Statement of Property, Plant & Equipment and Intangible Assets	Annexure-I
Restated Statement of Non-Current Investments	Annexure-J
Restated Statement of Long-Term Loans & Advances	Annexure-K
Restated Statement of Inventories	Annexure-L
Restated Statement of Trade Receivable	Annexure-M
Restated Statement of Cash & Cash Equipment's	Annexure-N
Restated Statement of Short-Term Loans & Advances	Annexure-O
Restated Statement of Other Current Assets	Annexure-JJ
Restated Statement of Turnover	Annexure-P
Restated Statement of Other Non-Operating Income	Annexure-Q
Restated Statement of Cost of Service	Annexure-R
Restated Statement of Purchase of Stock in Trade	Annexure-S
Restated Statement of Changes in Inventories	Annexure-T
Restated Statement of Employee Benefits Expenses	Annexure-U
Restated Statement of Finance Cost	Annexure-V
Restated Statement of Depreciation & Amortisation	Annexure-W
Restated Statement of Other Expenses	Annexure-X
Restated Statement of Contingent Liabilities	Annexure-Y
Restated Statement of Related Party Transaction	Annexure-Z
Restated Statement of Tax Shelter	Annexure-ZA
Restated Statement of Capitalisation	Annexure-ZB
Restated Statement of Mandatory Accounting Ratios	Annexure-ZC
Other Disclosures as Per Schedule-III Of the Companies Act, 2013	Annexure-ZD
Other Disclosures	Annexure-ZE
Normal Operating Cycle and Classification of Assets and Liabilities into Current and Non-Current	Annexure-ZF
Undisclosed Income	Annexure-ZG
Transaction with Struck Off Companies	Annexure-ZH
CSR Expenditure	Annexure-ZI
Other Information	Annexure-ZJ
Restated Statement of Other Financial Ratio	Annexure-ZK

Significant Accounting Policy and Notes to The Restated Financial Statements	Annexure-IV
Material Adjustment to the Restated Financial Statements	Annexure-V

In our opinion and to the best of information and explanation provided to us, the Restated Financial Statement of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and SEBI ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above Financial Statements along with Annexure A to ZK of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in Annexure IV and V are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, SEBI ICDR Regulations, Engagement Letter and Guidance Note issued by ICAI and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing. 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, S.R. Goyal & Co.
Chartered Accountant
Firm Registration No.: 001537C

Sd/-
A.K. Atolia
Partner
M. No. 077201
Place: Jaipur
Date: September 25, 2024
UDIN: 24077201BKEQGB5319

ANNEXURE I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in Rs. Lakhs)

PARTICULARS		Annexure No.	As at		
			31-03-2024	31-03-2023	31-03-2022
A)	EQUITY AND LIABILITIES				
1.	Shareholders' Funds				
(a)	Share Capital	A	50.20	50.20	50.20
(b)	Reserves & Surplus	A	2764.52	2032.51	1393.07
(c)	Money received against share warrants		0.00	0.00	0.00
			2814.73	2082.71	1443.27
2.	Non-Current Liabilities				
(a)	Long Term Borrowings	B	784.98	503.10	696.16
(b)	Deferred Tax Liabilities (Net)	C	21.16	13.52	10.35
(c)	Other Loan Term Liabilities	D	0.00	0.00	0.00
(d)	Long Term Provisions	E	96.01	71.41	67.21
			902.15	588.03	773.72
3.	Current Liabilities				
(a)	Short Term Borrowings	F	295.40	195.81	190.64
(b)	Trade Payables	G			
	(i) total outstanding dues of micro enterprises and small enterprises; and		59.13	111.76	17.10
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		251.27	244.95	114.58
(c)	Other Current Liabilities	H	226.61	97.51	97.97
(d)	Short Term Provisions	EE	741.12	659.17	464.25
			1573.54	1309.20	884.53
			5290.41	3979.94	3101.53
B)	ASSETS				
1.	Non-Current Assets				
(a)	Property, Plant & Equipment and Intangible Assets				
	i) Property, Plant & Equipment	I	2252.95	1633.39	1695.98
	ii) Intangible Assets		45.95	72.93	0.00
	iii) Capital Work in Progress		0.00	0.00	0.00
	iv) Intangible Assets under development		0.00	0.00	0.00
			2298.90	1706.33	1695.98
(b)	Non-Current Investment	J	107.29	99.27	147.05
(c)	Deferred Tax Assets (Net)	C	-	-	-
(d)	Long Term Loans and Advances	K	25.27	10.67	3.12
(e)	Other Non-Current Assets		-	-	-
			132.56	109.93	150.17
2.	Current Assets				
(a)	Current Investments				
(b)	Inventories	L	0.80	1.03	1.44
(c)	Trade Receivables	M	2166.98	1473.76	906.82
(d)	Cash and Cash equivalents	N	58.54	52.28	103.82
(e)	Short-Term Loans and Advances	O	317.79	241.88	235.09
(f)	Other Current Assets	JJ	314.84	394.74	8.21
			2858.95	2163.68	1255.38
	TOTAL		5290.41	3979.94	3101.53

ANNEXURE II
RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in Rs. Lakhs)

PARTICULARS		Annexure No.	For the Year ended on		
			31-03-2024	31-03-2023	31-03-2022
1	Revenue From Operation	P	7913.45	7477.93	4972.44
2	Other Income	Q	628.35	306.94	158.69
3	Total Income (1+2)		8541.80	7784.86	5131.12
4	Expenditure				
(a)	Cost of Services	R	618.64	825.64	433.91
(b)	Purchases of Stock in Trade	S	518.47	723.75	545.83
(c)	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	T	0.22	0.41	59.07
(d)	Employee Benefit Expenses	U	5007.13	4240.88	2871.49
(e)	Finance Cost	V	69.06	36.60	60.81
(f)	Depreciation and Amortisation Expenses	W	141.26	141.74	126.68
(g)	Other Expenses	X	1135.31	921.68	612.83
5	Total Expenditure 4(a) to 4(g)		7490.10	6890.70	4710.63
6	Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)		1051.69	894.16	420.49
7	Exceptional item		-	-	-
8	Profit before tax (6-7)		1051.69	894.16	420.49
9	Tax Expense:				
(a)	Tax Expense for Current Year		310.95	251.55	144.20
(b)	Deferred Tax		7.64	3.17	(28.50)
	Net Current Tax Expenses		318.59	254.72	115.70
10	Profit/(Loss) for the Year (10-11)		733.10	639.44	304.79
11	Earnings Per Equity Share (EPES)				
	Basic EPS (in INR)		4.71	4.11	1.96
	Diluted		4.71	4.11	1.96

**ANNEXURE III
RESTATED CASH FLOW STATEMENT**

(Amount in Rs. Lakhs)

PARTICULARS	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
A) Cash Flow From Operating Activities:			
Net Profit before tax	1051.69	894.16	420.49
Adjustment for:			
Depreciation	141.26	141.74	126.68
Interest Paid	61.42	29.51	60.81
Provision of Gratuity	37.07	13.84	99.12
Interest Income	(16.00)	(4.89)	1.48
Provision for CSR Expenses	5.95	0.00	0.00
Profit on sale of asset	-	(0.90)	-
Provision for Bad and doubtful debts	18.25	21.31	35.13
Operating profit before working capital changes	1299.65	1094.78	743.71
Changes in Working Capital			
(Increase)/Decrease in Inventory	0.22	0.41	59.07
(Increase)/Decrease in Trade Receivables	(711.47)	(588.24)	(520.51)
(Increase)/Decrease in Short Term Loans & Advances and Provisions	(75.91)	(6.79)	(70.64)
(Increase)/Decrease in Other Current Assets	79.90	(386.53)	(8.21)
Increase/(Decrease) in Trade Payables	(46.30)	225.03	10.80
Increase/(Decrease) in Other Current Liabilities	129.10	(0.46)	60.10
Increase/(Decrease) in Short Term Provisions	3.94	77.93	108.82
Cash generated from operations	679.13	416.12	383.13
Less: - Income Taxes paid	(252.46)	(144.20)	(2.96)
Net cash flow from operating activities	426.67	271.92	380.18
B) Cash Flow from Investing Activities:			
Increment in Fixed Assets including CWIP	(733.84)	(155.57)	(133.78)
Proceeds from Sale of Fixed Assets	-	4.38	-
(Increase)/Decrease in Long Term Loans and Advances	(14.60)	(7.55)	(1.08)
(Increase)/Decrease in Other Non-Current Assets	-	-	-
(Increase)/Decrease in Other Non-Current Investment	(8.03)	47.78	(139.87)
Interest Income	16.00	4.89	(1.48)
Net cash flow from investing activities	(740.46)	(106.07)	(276.22)
C) Cash Flow from Financing Activities:			
Proceeds from Issue of Share Capital	-	-	-
Proceeds from Securities Premium	-	-	-
Increase/(Decrease) in Long Term Borrowings	281.88	(193.06)	(284.65)
Increase/(Decrease) in Short Term Borrowings	99.60	5.17	190.64
Interest Paid	(61.42)	(29.51)	(60.81)
Net cash flow from financing activities	320.05	(217.40)	(154.82)
Net Increase/(Decrease) In Cash & Cash Equivalents	6.26	(51.54)	(50.87)
Cash equivalents at the beginning of the year	52.28	103.82	154.69
Cash equivalents at the end of the year	58.54	52.28	103.82
Notes: -	31-03-2024	31-03-2023	31-03-2022
1. Component of Cash and Cash equivalents			
Cash on hand	0.00	0.00	0.00
Balance With banks	58.53	52.27	103.81
Other Bank Balance	-	-	-
Total	58.54	52.28	103.82

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated

ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS

1. Corporate Information

Company was originally incorporated as “Sphinx Worldbiz Limited” a Public limited company under the Companies Act, 1956 at Delhi, pursuant to a certificate of incorporation dated January 29, 1996 issued by the Additional Registrar of Companies, National Capital Territory of Delhi & Haryana. Company commenced commercial operations pursuant to a Certificate for Commencement of Business dated February 28, 1996 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Company’s Corporate Identity Number is U74899DL1996PLC075839.

The company provides manufacturing engineering solutions, alongwith product designing, software development and embedded engineering services tailored for various industries such as Automotive Industry, White Goods industry, IT Industry, Manufacturing Industry etc.

2. Summary of significant accounting policies

2.1. Basis of accounting and preparation of financial statements

The Restated Statement of Assets and Liabilities of the Company as on March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and the annexure thereto (collectively, the “**Restated Financial Statements**”) have been extracted by the management from the Audited Financial Statements of the Company for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022, approved by the respective Board of Directors of the companies.

These Restated Financial Statements have been prepared by the management in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) prepared in terms of the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
- c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

These financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified under the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities.

2.2. Basis of Measurement

The Restated Financial Statements have been prepared on accrual basis and under historical cost convention, except for certain financial assets and liabilities which are measured at fair value.

The Restated financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the period presented in the Restated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

The Functional and presentation currency of the company is Indian Rupees (“INR”) which is the currency of the primary economic environment in which the Company operates.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “(Zero)” in the relevant notes to Restated financial statements.

2.3. Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of GAAP requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may Cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of valuation of deferred tax assets and provisions and contingent liabilities.

2.4. Revenue recognition

I. Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been sold and is transferred to our customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on the customer terms.

II. Income from services

Revenue from services is recognised when services have been rendered and there should be no uncertainty regarding consideration and its ultimate collection.

III. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.5. Inventories

Inventories are valued at cost or market price whichever is low.

2.6. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Property, Plant and Equipment comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

2.7. Depreciation

Depreciation on Property, Plant and Equipment has been provided on the Straight-Line Method as per the useful life and residual value as prescribed in Schedule II to the Companies Act, 2013.

2.8. Revaluation of Property, Plant and Equipment

As per the Management's view of the company, the figures reported in financial statements of the relevant financial year for Property, Plant and Equipment, is demonstrating a true and fair view. So, the Company has not revalued its Property, Plant, and Equipment during the relevant financial year and disclosure requirement as to "whether the

revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017" is not applicable to the company.

2.9. Title deeds of Immovable Property not held in name of the Company

The company does not have any Immovable Property of which title deed is not held in name of the company at any time during the relevant financial year.

2.10. Capital work-in-progress

The Company has no Capital Work in progress as on reporting date. Therefore, the disclosure requirement regarding Capital Work in progress is not applicable to the company.

2.11. Intangible assets

Intangible assets are non-physical Assets such as patent, license agreement, copyright, software. Intangible Assets must be amortized over their useful life, if possible, sum assets, such as Brand Name have indefinite life and cannot be capitalize or amortized, other intangible assets such as license agreement have useful life determined in the license agreement, item with a defined useful life must be amortized. Intangible assets purchased are measured at cost or fair value as on the date of acquisition less accumulated amortisation and accumulated impairment, if any. Amortisation is provided on a SLM basis over estimated useful lives of the intangible assets. The amortisation period for intangible assets with finite useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as changes in accounting estimate

2.12. Foreign currency transactions and translations

The functional currency of the Company is Indian rupee (Rs.). The gains or losses resulting from such transaction are included in the Statement of profit and loss. Foreign-currency denominated monetary assets and liabilities if any are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from the transactions relating to purchase of current assets like Raw Material etc. are included in the Statement of Profit and Loss. Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction.

2.13. Employee benefits

2.13.1. Defined contribution plans

Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered. The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

2.13.2. Defined Benefit Plans:

The Company has a defined benefit gratuity plan. Employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme of gratuity is unfunded.

The Company has made provision for payment of Gratuity to its employees. This Provision is made as per the method prescribed under the Payment of Gratuity Act. The cost of providing gratuity under this plan is determined on the basis of actuarial valuation at year/period end

2.14. Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.15. Government Grants and Subsidies

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

2.16. Cash Flow Statement

Cash flows are reported using Accounting Standard -3 Cash Flow Statement- indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

2.17. Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Income taxes are accrued in the same period that the related revenue and expense arise. A provision is made for income tax, based on the tax liability computed, after considering tax allowances and exemptions. Provision is recorded when it is estimated that a liability due to disallowance or other matter is probable....

The difference that results between the profit considered for income taxes and the profit as per financial statements are identified, and thereafter a deferred tax assets or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effects of the aggregate amount of timing difference. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on enacted or substantively enacted regulation.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.18. Impairment of assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss is recognized in prior accounting period is reversed if there has been change in the estimates of recoverable amount.

2.19. Provisions and contingencies

A Provision is recognized if, as a result of a past event, the Company has present legal obligation that is reasonably estimable and it is probable that an outflow of economics benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.20. GST Input Credit

Company collects GST on sales made by it from the customer. The GST paid on purchases made across the country is debited to GST input account which is adjusted periodically with aforesaid GST payable account. Any credit

balance is GST payable account is deposited periodically with GST authorities. However, GST paid on purchases on cases where GST input tax credit is blocked under GST and it is not allowed to be set off for input tax credit, such GST included in the respective heads of cost.

GST input not adjusted against GST payable at the end of the financial year and available for credit in future is carried forward in the Balance Sheet, if not available for future credit is charged off to Profit and loss account for the period.

2.21. Contingencies and events occurring after the Balance Sheet date

Events that occur between balance sheet date and date on which these are approved, might suggest the requirement for an adjustment(s) to the assets and the liabilities as at balance sheet date or might need disclosure. Adjustments are required to assets and liabilities for events which occur after balance sheet date which offer added information substantially affecting the determination of the amounts which relates to the conditions that existed at balance sheet date.

The company has issued bonus of 1,50,61,200 equity shares of face value of Rs 10/- in the ratio 30:1 i.e. Thirty (30) bonus equity shares for every one (1) equity share held by shareholder, pursuant to Board resolution dated on 27th August, 2024.

2.22. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and term deposits with highly liquid investments.

2.23. Related Party Transactions

Related parties as defined under Accounting Standard - 18 'Related Party Disclosures' have been identified based on representations made by management and information available with the Company. All transactions with related parties are in the ordinary course of business and on arms' length basis.

2.24. Leases

The company has taken Registered Office & Branch office on lease and classified as an Operating lease and lease rentals are recognized in profit of loss account as per lease terms.

2.25. Capital Advances

The company does not have any capital advance except as disclosed in the balance sheet as on date received by the company during the period.

2.26. Investments

Investment held as long-term investments by the company are stated at the cost of acquisition including interest and other related expenses and in accordance with the provision of AS – 13. Provision is made, where there is a permanent fall in the value of investment.

2.27. Borrowing costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets.

2.28. Compliance with number of layers of companies

Since the company was doing business across Michigan, United States, hence, the company decided to set up an organization in Michigan, US for design and product development services for the engineering industry, thus the organization setup was initiated by the company in 2020 named Sphinx WorldBiz INC.

After setting up, it became apparent that the conditions were not favorable, and the company might not achieve its objectives. Consequently, the company chose not to invest in share capital. The intention was to treat this setup as temporary and dispose of it in the near future. Sphinx WorldBiz Inc. has been dissolved vide Certificate of Dissolution Dated 23rd August 2024.

The Management is of the view that as per Accounting Standard 21 – “Consolidated Financial Statements”, the operations were never initiated and hence exemption to Paragraph 11 of the said standard is applicable and hence no consolidation of financial statements are required.

A. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIAL STATEMENTS

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.

B. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIAL STATEMENTS

- The financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers.
- Employee benefits:**
The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:-

(Amount in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
1. The amounts recognized in the Balance Sheet are as follows:			
Present value of unfunded obligations Recognized	150.02	112.95	99.12
Net Liability	150.02	112.95	99.12
2. The amounts recognized in the Profit & Loss A/c are as follows:			
Current Service Cost	28.55	20.60	20.39
Interest Cost	7.95	4.93	3.55
Expected Return on Plan Assets			
Net actuarial losses (gains) recognized in the year	14.56	(0.39)	6.98
Total, Included in “Salaries, Allowances & Welfare”	51.06	25.13	30.92
3. Changes in the present value of defined benefit obligation:			
Defined benefit obligation as at the beginning of the year Net of Fair Value of Opening Plan Assets	112.95	99.12	78.37
Interest Cost	7.95	4.93	3.55
Current Service cost	28.55	20.60	20.39
Benefit paid by the Company	(13.99)	(11.29)	(10.17)
Actuarial (gain)/loss on obligation	14.56	(0.39)	6.98
Defined benefit obligation as at the end of the year	150.02	112.95	99.12
Benefit Description			
Benefit type:	Gratuity Valuation as per Act		
Retirement Age:	58 years	58 years	58 years
Vesting Period:	5 years	5 years	5 years
The principal actuarial assumptions for the above are:			
Future Salary Rise:	8.00% P.A.	8.00% P.A.	8.00% P.A.
Discount rate per annum:	7.15% P.A.	7.04% P.A.	4.97% P.A.
Attrition Rate:	45% Per Annum		
Mortality Rate:	100% of IALM (2012 - 14)		

1. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective year except as mentioned in Annexure -Y, for any of the years covered by the statements.

2. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – Z of the enclosed financial statements.

3. Accounting for Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year is reported as under:

Particulars	(Amount in Lakhs)		
	For the year ended		
	31-03-24	31-03-23	31-03-22
Major Components of deferred tax arising on account of timing differences are:			
Timing Difference Due to Depreciation	(241.21)	(161.55)	(136.32)
Deferred Tax Assets/(Liabilities) (A)	(70.24)	(44.94)	(37.92)
Provision of Gratuity as at the year end	150.02	112.95	99.12
Timing Difference Due to Gratuity Expenses	150.02	112.95	99.12
Deferred Tax Assets/(Liabilities) (B)	43.69	31.42	27.57
Timing Difference Due to disallowance u/s 43B(h)	18.50	-	-
Deferred Tax Assets/(Liabilities) (C)	5.39	-	-
Cumulative Balance of Deferred Tax Assets/(Liabilities) (Net) (A+B+C)	(21.16)	(13.52)	(10.35)

4. Earnings Per Share (AS 20):

Particulars	For the year ended		
	31-03-24	31-03-23	31-03-22
A. Total Number of equity shares outstanding at the end of the year	5,02,040	5,02,040	5,02,040
B. Weighted Average Number of Equity shares after considering Bonus Issue of Shares	1,55,63,240	1,55,63,240	1,55,63,240
C. Net profit after tax available for equity shareholders (excluding exceptional and extraordinary items) (as restated) (In Lakhs)	733.10	639.44	300.30
D. Basic and Diluted earnings per share (Rs.) (C/B)	4.71	4.11	1.93

5. Segment Reporting

The Company is having revenue; from its customers which are located outside India; of more than 10% of its total revenue. Accordingly, as per AS-17 Segment Reporting, the company has identified geographic segment as its reportable segment.

The company has maintained records for cost of services consumed, purchase of stock in trade and other expenses incurred in accounting system for all the products and services provided. However, the company provides same services which are sold in Indian Market to outside India at similar cost of service and products. Accordingly, the expenses incurred on export segment is not identifiable.

Similarly, Assets of outside India is identifiable to the extent of Continent Wise Outstanding Trade Receivables only. However, revenue generated for the products varies on the basis of sale price of domestic sale and export sale. Accordingly, we have disclosed geographic Segment Revenue and Segment Assets in table below for Domestic (India) and Export (Outside India):

Geographical Areas	(Rupees in Lakhs excepts percentage)					
	FY 2023-24	%	FY 2022-23	%	FY 2021-22	%
Domestic	4292.94	54.25	3617.55	48.38	2517.62	50.63
International	3620.51	45.75	3860.38	51.62	2454.82	49.37
Total	7913.45	100.00	7477.93	100.00	4972.44	100.00

6. Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

7. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

8. Amounts in the financial statements

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

9. Auditors Qualifications –

Details of Auditors qualifications and their impact on restated financial statement is given below.

- a) Qualification which required adjustment in restated financial statements- NIL
- b) Qualification which does not require adjustment in restated financial statements – NIL

NOTES ON ADJUSTMENTS

- 1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- 2) Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.
- 3) Figures have been rearranged and regrouped wherever practicable and considered necessary.
- 4) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.
- 5) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.
- 6) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.
- 7) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
- 8) Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.

ANNEXURE-V**MATERIAL ADJUSTMENTS [AS PER THE SEBI (ICDR) REGULATION]**

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective years and their impact on the profit /(losses) of the Company is as under.

Statement of adjustments in the Financial Statements**Reconciliation of Surplus in Profit and Loss Account****(Amount in Rs. Lakhs)**

Particulars	For the year ended		
	31-03-24	31-03-23	31-03-22
Reserves and Surplus as per audited accounts but before adjustments for restated accounts:	2786.16	2150.45	1485.74
Adjustment in DTA/DTL	42.31	40.92	37.56
Provision for doubtful debts booked in restated financials	(74.69)	(56.44)	(35.13)
Short Depreciation charged in audited financials	22.26	10.71	2.72
Provision for Gratuity booked as per AS -15 (Revised)	-	112.95	99.12
Provision for CSR booked in restated financials	(5.95)	-	-
(Short)/Excess Provision for Income Tax	(5.57)	(0.18)	1.30
Reserves and Surplus after adjustments	2764.52	2032.51	1393.07
Reserves and Surplus as per Restated Accounts:	2764.52	2032.51	1393.07

Reconciliation of Profit and Loss after Tax

The reconciliation of Profit after tax as per audited results and the Profit/(loss) after tax as per Restated accounts is presented below. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the company.

(Amount in Rs. Lakhs)

Particulars	For the year ended		
	31-03-24	31-03-23	31-03-22
Net Profit after Tax as per audited accounts but before adjustments for restated accounts:	748.66	664.87	395.22
Short/(Excess) Provision for Deferred Tax Assets/(Liabilities)	1.39	1.91	37.56
Provision for Gratuity booked as per AS -15(Revised)	-	(13.84)	(99.12)
(Short)/Excess Provision for Income Tax	(5.39)	(0.18)	1.30
Provision for CSR booked in restated financials	(5.95)	-	-
Short Depreciation charged in audited financials	11.55	7.99	2.72
Income tax adjustment for earlier years now adjusted in reserve & surplus	1.09	-	
Adjustment for earlier years now adjusted in reserve & surplus			2.24
Provision for doubtful debts booked in restated financials	(18.25)	(21.31)	(35.13)
Net Profit After Tax after adjustments:	733.10	639.44	304.79
Net Profit After Tax as per Restated Accounts:	733.10	639.44	304.79

a) Adjustment on account of Provision of Deferred Tax Assets/Liability:

Due to changes in assumptions and reclassification of timing difference of certain items the deferred tax liability and deferred tax assets was recalculated at the end of respective year ended at the rate of normal tax rate applicable for the respective year in the restated financial statements. For more details refer table of Reconciliation of Statement of Profit and loss after tax as above.

b) Adjustment of Provision for CSR Expenses:

The company was required to spend on CSR activities in the FY 2022-23 as the Net Profit of the preceding FY 2021-22 had exceeded the threshold limit of Rs. 5 Crores. The company had not spent the amount of CSR activities till 31-03-2023 and according to the Section 135 of the Companies Act 2013, if the company is in default, then the company is liable to a spend twice the amount that is originally required to be spend on CSR activity. Therefore, the provision amounting to Rs. 5,95,241.48 has been created in the restated financial statement.

c) Adjustment for compliance of AS-15 (Employee Benefits):

During the restatement, Actuarial valuation of gratuity was made for all the restated periods and provision for gratuity was expensed in the profit and loss account of the restated financial statement in compliance with the Accounting Standard-15 (Employee Benefits).

d) Adjustment on account of Provision for doubtful debts booked:

The company has not made the provisioning for doubtful debts, however, during the restatement, the necessary provision for doubtful debts has been recognized.

e) Adjustment for calculation of depreciation:

During the restatement, the method for calculating Depreciation on Property, Plant and Equipment has been provided on the Straight-Line Method as per the useful life and residual value prescribed in Schedule II to the Companies Act, 2013.

f) Adjustment for Prior Period Expenses:

During the restatement, Income tax expenses of prior period have been regrouped and adjusted in reserve & surplus. Regrouping typically involves moving certain financial items from one category to another for better presentation or to comply with accounting standards. Adjusting in reserve and surplus suggests that these expenses were accounted for in a different manner to ensure accuracy and transparency in the financial reporting.

ANNEXURE – A
RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS
(Amt. in Rs. Lakhs, Except Share Data)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Share Capital			
Authorised Share Capital			
No of Equity shares of Rs.10 each	30,00,000	30,00,000	30,00,000
Equity Share Capital	300.00	300.00	300.00
Issued, Subscribed and Paid-up Share Capital			
No of Equity Shares of Rs. 10 each fully paid up	5,02,040	5,02,040	5,02,040
Equity Share Capital	50.20	50.20	50.20
Total	50.20	50.20	50.20
Reserves and Surplus			
A. Securities Premium account			
Opening Balance	250.17	250.17	250.17
Add: Changes during the year	-	-	-
Closing Balance	250.17	250.17	250.17
B. Surplus in Profit and Loss account			
Opening Balance	1782.34	1142.89	838.10
Add: Profit for the Year	733.10	639.44	304.79
Less: Earlier year tax adjustments	1.09	-	-
Closing Balance	2514.35	1782.34	1142.89
Total (A+B)	2764.52	2032.51	1393.07

Notes:

- Pursuant to Shareholders' resolution dated May 31, 2024 the Increase in the authorized share capital of the Company from ₹300 Lakhs divided into 30,00,000 Equity Shares of ₹10/- each to ₹2300.00 Lakhs divided into 2,30,00,000 Equity Shares of ₹10/- each ranking pari-passu with the existing share capital.
- Pursuant to Board meeting dated August 27, 2024 bonus issue of 1,50,61,200 equity shares of face value of Rs 10/- in the ratio 30:1 i.e. thirty (30) bonus equity shares for every one (1) equity share held by shareholder have been issued.
- Terms/rights attached to equity shares:
 - The company has only one class of shares referred to as equity shares having a par value of Rs. 10/- as at 31st March, 2024.
 - Each holder of equity shares is entitled to one vote per share.
 - In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- Company does not have any Revaluation Reserve.
- No shares have been bought back or allotted by way of bonus issue during last 5 years immediately preceding March 31, 2024.
- There were no class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- There are no calls unpaid by the Directors or officers of the company.

The reconciliation of the number of Equity shares outstanding as at: -

Particulars	31-03-2024	31-03-2023	31-03-2022
Number of shares (Face value Rs 10) at the beginning	5,02,040	5,02,040	5,02,040
Add: Bonus Shares	-	-	-
Number of shares (Face value Rs 10) at the end of year	5,02,040	5,02,040	5,02,040

The detail of shareholders holding more than 5% of Total Equity Shares: -

Name of Shareholders	31-03-2024	31-03-2023	31-03-2022
Narendra Singh Surana	2,99,544	2,99,544	2,99,544
Sudhanshu Surana	99,848	99,848	99,848
Avishkar Surana	99,848	99,848	99,848
Total	4,99,240	4,99,240	4,99,240

9. Shares held by promoters at the end of the respective year is as under:

9a) Shares held by promoters for the year ended 31st March 2024

Promoters Name	No of shares	% of total shares	% Change during the year
Narendra Singh Surana	299544	60.00	0.00
Sudhanshu Surana	99848	20.00	0.00
Avishkar Surana	99848	20.00	0.00
Total	499240	100.00	

9b) Shares held by promoters for the year ended 31st March 2023

Promoters Name	No of shares	% of total shares	% Change during the year
Narendra Singh Surana	299544	60.00	0.00
Sudhanshu Surana	99848	20.00	0.00
Avishkar Surana	99848	20.00	0.00
Total	499240	100.00	

9c) Shares held by promoters for the year ended 31st March 2022

Promoters Name	No of shares	% of total shares	% Change during the year
Narendra Singh Surana	299544	60.00	-10.17
Sudhanshu Surana	99848	20.00	-2.22
Avishkar Surana	99848	20.00	56.82
Total	499240	100.00	

ANNEXURE – B
RESTATED STATEMENT OF LONG-TERM BORROWINGS

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Long Term Borrowings			
(a)Secured			
Term loans			
From Bank & Financial Institutions	744.52	499.28	694.48
From Others	-	-	-
Sub-total (a)	744.52	499.28	694.48
(b)Unsecured			
Term loans			
From Bank & Financial Institutions	-	-	-
From Others	-	-	-
Sub-total (b)	-	-	-
(c) Loans and advances from related parties & shareholders (Unsecured)			
From Directors	40.46	3.83	1.67
From Relatives of Directors	-	-	-
Sub-total (c)	40.46	3.83	1.67
(d) Loans and advances from others (Unsecured)			
From Intercompany deposits	-	-	-
Sub-total (d)	-	-	-
Total (a+b+c+d)	784.98	503.10	696.16

Notes:

- The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in Annexure -B (A) and Annexure-B (B)
- The Company does not have any continuing default in repayment of loans and interest as on the reporting date.
- The Company has not taken any loan from financial institution or banks for any specified purpose for which it is not utilised.

4. Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.
5. The registration or satisfaction of charges has been duly completed with the Registrar of Companies. However, no charges have been registered for the Axis Bank vehicle loans, with sanctioned amounts of Rs. 20.00 Lakhs and Rs. 29.78 respectively

ANNEXURE – B(A)
RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED TERMS LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose of Credit Facility	Sanctioned Amount (Lakhs)	Rate of interest (P.A.)	Prime & Collateral Securities offered	Re-Payment Schedule		Moratorium	Outstanding amount as on (as per Books) (in Rs. Lakhs)		
					No of EMI (No of Months)	EMI Amount (In Lakhs)		31-03-2024	31-03-2023	31-03-2022
Axis Bank	Vehicle Loan	20.00	8.75%	Primary Security: Hypothecated against vehicle. Collateral Security: Note-2	60 equated monthly instalments	₹ 0.41	Nil	4.68	9.02	12.99
Axis Bank	Vehicle Loan	73.74	7.45%		84 equated monthly instalments	₹ 1.13	Nil	46.48	56.16	65.16
Axis Bank	Vehicle Loan	29.78	9.30%		84 equated monthly instalments	₹ 0.48	Nil	10.44	15.04	19.23
Kotak Mahindra Bank	FCYCL Foreign Currency Loan	Rs. 218.50 (Euro 3.94)	2.30%	Primary Security: First and exclusive charge on all existing and future current assets of the firm. Collateral Security: Note-3	60 equated monthly instalments	€ 0.07	Nil	191.14	252.89	313.84
Kotak Mahindra Bank	FCYCL Foreign Currency Loan	Rs 121.70(Euro 1.70)	6.41%		60 equated monthly instalments	€ 0.05	Nil	115.16	0.00	0.00
Kotak Mahindra Bank	FCYCL Foreign Currency Loan	Rs 69.90 (Euro 2.31)	3,30%		60 equated monthly instalments	€ 0.04	Nil	66.16	103.35	140.04
Kotak Mahindra Bank	FCYCL Foreign Currency Loan	Rs 138.85 (Euro 4.41)	2.75%		60 equated monthly instalments	€ 0.08	Nil	127.16	197.90	267.87
Kotak Mahindra Bank (Note-2)	FCYCL Foreign Currency Loan	595.00	To be decided at the time of drawl-Refer Note-1		60 equated monthly instalments	To be decided at the time of drawl	Nil	0.00	0.00	0.00
Yes Bank	FCNR (B) Loans	Rs. 606.30 (Euro 4.55)	5.97%	Primary Security: Exclusive charge by way of equitable mortgage on Commercial Property located at Office No. 4, 5, 6, 7, 8, 9, 10,	47 equated monthly instalments	€ 0.02	Nil	109.31	0.00	0.00
Yes Bank	FCNR (B) Loans		6.02%		60 equated monthly instalments	€ 0.06	Nil	274.27	0.00	0.00

				& 11,12 7th Floor, Platinum Tower, S. No. 28/3/1 , Old Mundhwa Road, Kharadi, Tal. Haveli, Dist. Pune 411014 Collateral Security: Note-4							
Daimler Financial Services India Private Limited	Vehicle Loan	66.00	8.05%	Primary Security: Hypothecated against vehicle Collateral Security: Note-5	59 equated monthly instalments	₹ 0.96	Nil	53.22	60.13	66.00	
					60th month installment	₹ 29.03					
Kotak Mahindra Bank Overdraft	Overdraft Facility	20.00	RPRR +2.5% p.a	Primary Security: Extension of Exclusive charge on all existing and future current assets and movable fixed assets of the borrower. Collateral Security: Note-3	Repayable on demand	NA	Nil	20.00	0.60	0.00	
Kotak Mahindra Bank Overdraft	Overdraft Facility	200.00	8.5% p.a		Repayable on demand	NA	Nil	21.90	0.00	0.00	
Total									1039.93	695.08	885.13

Note: The EMI amount in foreign currency loan is subject to variation due to exposure to foreign exchange rate fluctuations. Hence, EMI Amount is disclosed in Euros.

Note 1: The Company has taken loan from Kotak Mahindra Banks. However, no drawl has been made in the restatement period.

Note-2 - Collateral Security:

These are the vehicle loan and there is no collateral security and personal guarantee.

Note-3- Collateral Security:

Collateral details (Exact description, location of the property & ownership)	Remarks/Type of Charge
Office No 5,6,7 and 8, Ground floor, Pride Icon, Sr. No. 22/1/1A & 22/1/1B, Kharadi, Pune - 411014 owned by M/s Sphinx Worldbiz Limited.	Continuation of Equitable Mortgage
Plot No-27-B, Block-A, Sector-16, Noida U.P - 201301 owned by M/s Sphinx Worldbiz Limited.	Extension of Equitable Mortgage
Plot No. 27, Block-G, Sector-39, Distt. Gautam Budh Nagar, Uttar Pradesh-201301 owned by M/s Sphinx Worldbiz Limited.	Extension of Equitable Mortgage
FD of Rs. 200.00 Lakhs in the name of M/s Sphinx Worldbiz Limited.	Lien Over FD

Personal Guarantee:

1. Narendra Singh Surana
2. Sudhanshu Surana
3. Avishkar Surana

Note-4 - Collateral Security:

No collateral security against these loan

Personal Guarantee:

- a. Narendra Singh Surana
- b. Sudhanshu Surana
- c. Avishkar Surana

Note-5

Collateral Security:

No collateral security against these loan

Personal Guarantee:

1. Narendra Singh Surana
2. Sudhanshu Surana
3. Avishkar Surana

ANNEXURE – B(B)

RESTATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities

Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

Name of Lender	Purpose	Rate of interest (P.A.)	Re-Payment Schedule	Moratorium	Outstanding amount as at (Amount in Rs. Lakhs)		
					31-03-2024	31-03-2023	31-03-2022
Narendra Singh Surana	Business Purpose	14	On demand	NA	38.64	1.90	1.48
Sudhanshu Surana	Business Purpose	NA	On demand	NA	1.32	1.93	0.19
Avishkar Surana	Business Purpose	NA	On demand	NA	0.49	-	-
Total					40.46	3.83	1.67

ANNEXURE – C
RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Major Components of deferred tax arising on account of timing differences are:			
Timing Difference Due to Depreciation	(241.21)	(161.55)	(136.32)
Deferred Tax Assets/(Liabilities) (A)	(70.24)	(44.94)	(37.92)
Provision of Gratuity as at the year end	150.02	112.95	99.12
Timing Difference Due to Gratuity Expenses	150.02	112.95	99.12
Deferred Tax Assets/(Liabilities) (B)	43.69	31.42	27.57
Timing Difference Due to disallowance u/s 43B(h)	18.50	-	-
Deferred Tax Assets/(Liabilities) (C)	5.39	-	-
Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)	(21.16)	(13.52)	(10.35)

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The company has created/reversed DTA/DTL as per AS 22 issued by ICAI.

ANNEXURE – D
RESTATED STATEMENT OF OTHER LONG-TERM LIABILITIES

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Other Long-Term Liabilities	-	-	-
Total	-	-	-

ANNEXURE – E
RESTATED STATEMENT OF LONG-TERM PROVISIONS

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Provision for Employee Benefits			
Provision for Gratuity	96.01	71.41	67.21
Provision for Other Expense	-	-	-
Total	96.01	71.41	67.21

For details, please refer “Employee Benefits” under Notes to Restated Summary Statements of Annexure IV.

ANNEXURE – F
RESTATED STATEMENT OF SHORT-TERM BORROWINGS

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Short Term Borrowings			
Secured			
Loan Repayable on Demand			
From Banks and Financial Institution	41.90	0.60	-
From Other Parties	-	-	-
Sub total (a)	41.90	0.60	-
Current Maturities of Long-Term Debt	253.50	195.21	190.64
Sub Total (b)	253.50	195.21	190.64
Unsecured			
From Banks and Financial Institution	-	-	-
Sub Total (c)	-	-	-
Total (a+b+c)	295.40	195.81	190.64

Notes:

1. The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in Annexure -B (A) and Annexure-B (B)
2. The Company does not have any continuing default in repayment of loans and interest as on the reporting date.
3. The company is not declared as "wilful defaulter" by any bank or financial Institution or other lender as on the reporting date.
4. The Company has not taken any loan from financial institution or banks for any specified purpose for which it is not utilised.
5. Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

ANNEXURE – G
RESTATED STATEMENT OF TRADE PAYABLES

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Trade Payables			
For Goods & Services			
Micro, Small and Medium Enterprises	59.13	111.76	17.10
Others	251.27	244.95	114.58
Total	310.40	356.70	131.68

Trade Payables ageing schedule: As at 31st March,2024

(Amount in Rs. Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	59.13	-	-	-	59.13
(ii) Others	235.06	13.99	-	2.22	251.27
(iii) Disputed dues- MSME					-
(iv) Disputed dues - Others					-

Trade Payables ageing schedule: As at 31st March,2023

(Amount in Rs. Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	111.76	-	-	-	111.76
(ii) Others	236.72	5.17	-	3.06	244.95
(iii) Disputed dues- MSME					-
(iv) Disputed dues - Others					-

Trade Payables ageing schedule: As at 31st March,2022

(Amount in Rs. Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	17.10	-	-	-	17.10
(ii) Others	110.86	1.80	-	1.92	114.58
(iii) Disputed dues- MSME					-
(iv) Disputed dues - Others					-

Notes:

1. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.
2. Ageing of the Supplier, alongwith any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of age wise supplier balance is given below after considering from the date of transactions.

ANNEXURE – H
RESTATED STATEMENT OF OTHER CURRENT LIABILITIES

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Other Current Liabilities			
Statutory Payables	66.53	58.07	42.91
Advances Received from Customers	43.16	11.51	33.77
Other Payables	35.33	27.94	21.29
Avishkar Arista Developers LLP	81.59	0.00	0.00
Total	226.61	97.51	97.97

ANNEXURE – EE
RESTATED STATEMENT OF SHORT-TERM PROVISIONS

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Short Term Provisions			
Provision for Employee Benefits	369.22	363.39	286.26
Provision for Gratuity	54.02	41.54	31.90
Provision for CSR	5.95	-	-
Total (A)	429.19	404.94	318.16
Other Provisions			
Income tax Provisions	311.13	251.55	144.20
Provision for Auditor's Remuneration	0.80	2.69	1.89
Total (B)	311.93	254.24	146.09
Total (A+B)	741.12	659.17	464.25

ANNEXURE – I
RESTATED STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(Amount in Rs. Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	Value as at 01-04-2021	Addition during the year	Deduction during the year	Value as at 31-03-2022	Value as at 01-04-2021	Addition during the year	Deduction during the year	Value as at 31-03-2022	WDV as on 31-03-2022	WDV as on 31-03-2021
Property, Plant and Equipment										
Tangible Assets										
Furniture & Fixture	39.94	0.00	-	39.94	18.75	2.79	-	21.54	18.40	21.19
Office Equipment	57.07	1.65	-	58.72	34.09	9.41	-	43.50	15.22	22.98
Computer	534.40	53.42	-	587.83	376.27	79.34	-	455.61	132.22	158.13
Plant & Machinery	2.74	0.00	-	2.74	0.13	0.17	-	0.30	2.44	2.61
Building	600.42	2.47	-	602.90	22.33	9.47	-	31.79	571.10	578.10
Land	751.00	0.00	-	751.00	0.00	0.00	-	0.00	751.00	751.00
Motor Vehicles	217.19	76.24	-	293.43	62.34	25.50	-	87.84	205.59	154.86
Total (A)	2202.77	133.78	-	2336.56	513.90	126.68	-	640.58	1695.98	1688.87
Intangible Assets										
Software		0.00	-	0.00	-	0.00	-	0.00	0.00	0.00
Total (B)	0.00	0.00	-	0.00	-	-	-	-	0.00	0.00
Grand Total (A+B)	2202.77	133.78	-	2336.56	513.90	126.68	-	640.58	1695.98	1688.87

FY 2022-23

Particulars	Gross Block				Depreciation				Net Block	
	Value as at 01-04-2022	Addition during the year	Deduction during the year	Value as at 31-03-2023	Value as at 01-04-2022	Addition during the year	Deduction during the year	Value as at 31-03-2023	WDV as on 31-03-2023	WDV as on 31-03-2022
Property, Plant and Equipment										
Tangible Assets										
Furniture & Fixture	39.94	2.80	0.00	42.74	21.54	2.93	-	24.47	18.27	18.40
Office Equipment	58.72	11.76	0.00	70.48	43.50	7.08	-	50.57	19.91	15.22
Computer	587.83	46.54	0.00	634.36	455.61	75.68	-	531.29	103.08	132.22
Plant & Machinery	2.74	0.00	0.00	2.74	0.30	0.17	-	0.48	2.26	2.44
Building	602.90	9.26		612.16	31.79	9.47	-	41.26	570.90	571.10
Land	751.00	0.00	0.00	751.00	0.00	0.00	-	0.00	751.00	751.00

Motor Vehicles	293.43		3.48	289.95	87.84	34.14	-	121.98	167.97	205.59
Total (A)	2336.56	70.37	3.48	2403.44	640.58	129.47	-	770.05	1633.39	1695.98
Previous Year (A)	2202.77	133.78	-	2336.56	513.90	126.68	-	640.58	1695.98	1688.87
Intangible Assets										
Software	0.00	85.20	-	85.20	0.00	12.27	-	12.27	72.93	0.00
Total (B)	0.00	85.20	0.00	85.20	-	12,27,063.97	-	12,27,063.97	72.93	0.00
Previous Year (B)	0.00	0.00	-	0.00	-	-	-	-	0.00	0.00
Grand Total (A+B) (Current Year)	2336.56	155.57	3.48	2488.64	640.58	141.74	-	782.32	1706.33	1695.98
Grand Total (A+B) (Previous Year)	2202.77	133.78	-	2336.56	513.90	126.68	-	640.58	1695.98	1688.87

FY 2023-24

Particulars	Gross Block				Depreciation				Net Block	
	Value as at 01-04-2023	Addition during the year	Deduction during the year	Value as at 31-03-2024	Value as at 01-04-2023	Addition during the year	Deduction during the year	Value as at 31-03-2024	WDV as on 31-03-2024	WDV as on 31-03-2023
Property, Plant and Equipment										
Tangible Assets										
Furniture & Fixture	42.74	0.16	-	42.90	24.47	1.45	-	25.92	16.98	18.27
Office Equipment	70.48	6.64	-	77.12	50.57	6.28	-	56.86	20.27	19.91
Computer	634.36	24.69		659.05	531.29	59.39		590.67	68.38	103.08
Plant & Machinery	2.74		-	2.74	0.48	0.17	-	0.65	2.09	2.26
Building	612.16	702.35	-	1314.51	41.26	19.55	-	60.82	1253.69	570.90
Land	751.00		-	751.00	0.00			0.00	751.00	751.00
Motor Vehicles	289.95		-	289.95	121.98	27.43		149.41	140.54	167.97
Total (A)	2403.44	733.84	-	3137.28	770.05	114.28	-	884.33	2252.95	1633.39
Previous Year (A)	2336.56	70.37	3.48	2403.44	640.58	129.47	-	770.05	1633.39	1695.98
Intangible Assets										
Software	85.20	0.00		85.20	12.27	26.98	-	39.25	45.95	72.93
Total (B)	85.20	0.00	0.00	85.20	12.27	26.98	0.00	39.25	45.95	72.93
Previous Year (B)	0.00	0.00	-	0.00	-	-	-	-	0.00	0.00
Grand Total (A+B) (Current Year)	2488.64	733.84	0.00	3222.48	782.32	141.26	-	923.58	2298.90	1706.33

Grand Total (A+B) (Previous Year)	2336.56	155.57	3.48	2488.64	640.58	141.74	-	782.32	1706.33	1695.98
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Notes:

- 1.1 The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company
- 1.2 The Company has not revalued its Property Plant & Equipment.
- 2. Title deeds of all the immovable property:**
The title deeds of all the immovable property are held in the name of the company
3. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 and the Rules made thereunder and as amended from time to time.

ANNEXURE-J
RESTATED STATEMENT OF NON-CURRENT INVESTMENTS

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
NON-CURRENT INVESTMENTS			
FDR-ICICI Bank	6.07	6.07	142.00
Investment in Mutual Fund	0.05	0.05	0.05
Advance against Property	101.17	93.15	5.00
Sphinx WorldBiz INC (Refer Note)	-	-	-
Total	107.29	99.27	147.05

Notes: Sphinx WorldBiz INC- Michigan, is 90% owned subsidiary of Sphinx WorldBiz Limited, India (Total authorized amount of 45000 shares at \$.01 par value). It shows NIL amount of investment as there is no remittance has been made by the company towards the share capital

ANNEXURE-K
RESTATED STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
LONG-TERM LOANS AND ADVANCES			
Unsecured, Considered Good unless otherwise stated			
Security Deposit	25.27	10.67	3.12
Loans and Advances to Related Parties	-	-	-
Loans and Advances to Other Parties	-	-	-
Total	25.27	10.67	3.12

Notes:

- The Company has not given any loans and advances to promoters, Directors, KMP's and other related parties during the above period.

ANNEXURE-L
RESTATED STATEMENT OF INVENTORIES

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Raw Materials	-	-	-
Work in Progress	-	-	-
Traded Goods	-	-	-
Finished Goods	0.80	1.03	1.44
Total	0.80	1.03	1.44

Notes:

- Inventory has been physically verified by the management of the Company at the end of respective year.

ANNEXURE-M
RESTATED STATEMENT OF TRADE RECEIVABLES

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Trade Receivable			
Unsecured Considered good			
Trade receivables outstanding for a period not exceeding six months from the date they are due for payment	904.37	1017.43	795.93
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	428.53	132.78	52.86
Dues From Directors, Related parties/Common Group Company, etc	834.08	323.55	58.04
Others			
Sub Total (A)			
Secured Considered good			
Outstanding for a period not exceeding 6 months (Secured and considered Good)	-	-	-

Dues From Directors, Related parties/Common Group Company, etc	-	-	-
Others	-	-	-
Sub Total (B)	-	-	-
Total	2166.98	1473.76	906.82

Notes:

- List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
- Ageing of the Trade receivable, along with any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

There are no unbilled trade receivables.

Receivables ageing schedule as at 31st March, 2024**(Amount in Rs. Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1746.50	199.23	200.99	17.55	77.40	2241.67
(i) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-
Sub Total	1746.50	199.23	200.99	17.55	77.40	2241.67
Undue-considered good	-	-	-	-	-	-
Undue - considered doubtful	-	-	-	-	-	-
Provision for doubtful debts	8.05	6.34	19.76	12.98	27.56	74.69
Total	1738.45	192.89	181.23	4.57	49.84	2166.98

Trade Receivables ageing schedule as at 31st March, 2023**(Amount in Rs. Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1340.98	91.45	20.37	23.71	53.69	1530.20
(i) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-
Sub Total	1340.98	91.45	20.37	23.71	53.69	1530.20
Undue-considered good						-
Undue - considered doubtful						-
Provision for doubtful debts	-	-	15.89	12.98	27.56	56.44
Total	1340.98	91.45	4.48	10.73	26.12	1473.76

Trade Receivables ageing schedule as at 31st March, 2022**(Amount in Rs. Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total

(i) Undisputed Trade receivables - considered good	853.97	7.94	24.48	13.16	42.41	941.95
(i) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-
Sub Total	853.97	7.94	24.48	13.16	42.41	941.95
Undue-considered good	-	-	-	-	-	-
Undue - considered doubtful	-	-	-	-	-	-
Provision for doubtful debts	-	-	-	7.57	27.56	35.13
Total	853.97	7.94	24.48	5.59	14.84	906.82

ANNEXURE – N
RESTATED STATEMENT OF CASH & CASH EQUIVALENTS

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)			
Balances with Banks in Current Accounts	58.53	52.27	103.81
Cash on Hand (As certified and verified by Management)	0.00	0.00	0.00
Total	58.54	52.28	103.82

Note:

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

ANNEXURE – O
RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Unsecured, Considered Good unless otherwise stated			
TCS Receivable	0.44	0.37	-
TDS Receivable	312.62	237.61	230.97
Loans and Advances to Employees	4.02	3.89	0.42
Other Loans and Advances	0.71	-	3.70
Total	317.79	241.88	235.09

Notes

- List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
- The Company has not granted any loans or advances in the nature of Loan to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

ANNEXURE-JJ
RESTATED STATEMENT OF OTHER CURRENT ASSETS

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Other Current Assets	314.84	394.74	8.21
Total	314.84	394.74	8.21

Notes:

1. Other Current Assets include Fixed Deposits with Kotak Mahindra Bank amounting to Rs. 216.49 Lakhs, Rs. 321.13 Lakhs, and Rs. 2.13 Lakhs for FY 2023-24, FY 2022-23, and FY 2021-22, respectively, against which an Overdraft facility has been availed.

ANNEXURE – P
RESTATED STATEMENT OF TURNOVER

(Amount in Rs. Lakhs)

Particulars	for the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
* (i) turnover of products manufactured by the issuer (net of excise Duty)			
(ii) turnover of products traded in by the issuer; and	1571.69	1761.50	1468.23
* (iii) turnover in respect of products not normally dealt in by the issuer but included in (ii) above			
(iv) turnover in respect of Services supplied by the issuer	6341.76	5716.43	3504.21
Total	7913.45	7477.93	4972.44

1. Details of Products traded in by the issuer

(Amount in Rs. Lakhs)

Particulars	for the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Prototype Development	1571.69	1761.50	1468.23
Total	1571.69	1761.50	1468.23

2. Details of Services Supplied by the issuer

(Amount in Rs. Lakhs)

Particulars	for the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Manufacturing Engineering Solutions			
BIW Fixture Design and Robotic Simulation	1,978.13	1,741.68	1,285.44
Special Purpose Machinery	84.57	71.68	0.00
Control Electrical Engineering	125.79	123.99	4.35
BIW Die Design	266.09	233.47	156.47
Sub-Total (A)	2454.58	2170.82	1446.26
Product Design Division			
Onsite Product Designing	3102.52	2598.91	1700.05
Offsite Product Designing	245.25	227.12	55.02
Sub-Total (B)	3347.77	2826.03	1755.07
Software Division			
Software Design & Development	496.88	719.58	302.88
Embedded Engineering Services	42.53	-	-
Sub-Total (C)	539.41	719.58	302.88
Total (A+B+C)	6341.76	5716.43	3504.21

Notes:

*As per information provided to us by the Issuer, there is no such item.

1. Sale of product doesn't include the GST amount

ANNEXURE – Q
RESTATED STATEMENT OF OTHER NON-OPERATING INCOME

(Amount in Rs. Lakhs)

Particulars	For the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Related and Recurring Income:			
(i) Interest income	16.01	10.68	1.48
(ii) Foreign Exchange A/c	583.88	243.36	151.90
(iii) Miscellaneous Income	28.46	52.00	5.30
Sub Total (a)	628.35	306.04	158.69
Non related and Non-Recurring Income:			

Profit on sale of Fixed Asset	-	0.90	-
Sub Total (b)	-	0.90	-
Total (A+b)	628.35	306.94	158.69

Notes:

- The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

ANNEXURE -R
RESTATED STATEMENT OF COST OF SERVICES

(Amount in Rs. Lakhs)

Particulars	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
Cost of Services			
Computer Consumables	31.06	55.95	46.43
Consultancy Charges	104.13	92.12	122.90
Job Work Outsourcing Expenses	9.49	0.08	0.32
Engineering Services	473.96	677.49	264.26
TOTAL	618.64	825.64	433.91

ANNEXURE-S
RESTATED STATEMENT OF PURCHASE OF STOCK IN TRADE

(Amount in Rs. Lakhs)

Particulars	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
Purchase of Stock in Trade			
Purchase of Stock in Trade	518.47	723.75	545.83
TOTAL	518.47	723.75	545.83

1. Details of Stock in Trade

(Amount in Rs. Lakhs)

Particulars	For the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Prototype	518.47	723.75	545.83
TOTAL	518.47	723.75	545.83

ANNEXURE-T
RESTATED STATEMENT OF CHANGES IN INVENTORIES

(Amount in Rs. Lakhs)

Particulars	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
Closing Inventories			
Stock In Trade Goods	-	-	-
Finished Goods	0.80	1.03	1.44
Sub Total (A)	0.80	1.03	1.44
Opening Inventories			
Stock In Trade Goods	-	-	-
Finished Goods	1.03	1.44	60.51
Sub Total (B)	1.03	1.44	60.51
Changes in Inventories	0.22	0.41	59.07

Notes:

- The Inventory has been physically verified on periodic basis by the management

ANNEXURE-U
RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES

(Amount in Rs. Lakhs)

Particulars	For the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Salary and Wages	4586.54	3873.53	2555.57

Contribution to Provident Fund and Other Fund	155.67	121.76	73.62
Staff Welfare Expenses	69.39	77.43	50.34
Directors Remuneration	135.00	131.98	76.93
Leave encashment & Travelling Allowance	9.49	8.39	2.60
Gratuity	51.06	27.80	112.43
Total	5007.13	4240.88	2871.49

**ANNEXURE-V
RESTATED STATEMENT OF FINANCE COST**

(Amount in Rs. Lakhs)

Particulars	For the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Interest expense	61.42	29.51	54.01
Other Borrowing cost	7.64	7.08	6.80
TOTAL	69.06	36.60	60.81

**ANNEXURE-W
RESTATED STATEMENT OF DEPRECIATION & AMORTISATION**

(Amount in Rs. Lakhs)

Particulars	For the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Depreciation on Property, Plant and Equipment	114.28	129.47	126.68
Amortization of intangible assets	26.98	12.27	0.00
Total	141.26	141.74	126.68

**ANNEXURE-X
RESTATED STATEMENT OF OTHER EXPENSES**

(Amount in Rs. Lakhs)

Particulars	For the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Other expenses			
Administrative Charges to PF	11.75	10.09	3.43
Rent, Rates and Taxes	82.43	52.21	5.32
Insurance Expenses	15.93	15.43	16.62
Payment Auditors	0.80	0.80	0.94
Custom Duty	77.75	88.78	77.93
Miscellaneous Expenses	946.64	754.37	508.59
TOTAL	1135.31	921.68	612.83
Miscellaneous Expenses			
Generator Running and maintenance Expenses	0.69	0.80	0.82
Provision for Bad and doubtful debt	18.25	21.31	35.13
Water & Electricity Expenses	61.93	48.25	31.00
Legal and Professional Fees	53.69	46.07	32.67
Hotel Accommodation charges	20.41	20.54	2.99
Internet charges	69.29	57.03	35.24
Postage and courier	121.53	127.54	94.18
Miscellaneous Expenses	0.28	0.61	0.50
AMC Charges	72.10	6.61	29.05
Repair and Maintenance Expenses	13.89	19.61	61.60
Office Maintenance Expenses	53.79	54.38	38.82
Fees & Taxes	2.48	8.79	0.38
Printing & Stationery	7.01	4.15	1.39
Security charges	12.29	9.60	8.07
Short & excess	(0.64)	(1.46)	1.98
Telephone Exp	4.69	4.52	7.49
Vehicle running and maintenance	6.85	7.72	4.99
Travelling Exp.	203.29	108.31	61.88
Festival Expenses	13.30	12.41	8.98

Software Development Expenses	88.13	97.00	0.74
Loading, Unloading & Packaging	2.39	3.10	1.85
Commission Expense	38.92	33.78	23.67
Hire charges	24.25	27.34	2.16
Handling charges	10.65	10.25	9.58
Rebate and Discount	0.60	3.50	4.64
Local conveyance	4.45	9.36	4.42
Reimbursement of petrol expenses	2.70	1.80	2.19
Reimbursement of telephone expenses	0.36	0.24	0.26
Reimbursement of medical expenses	0.54	0.36	1.92
Additional Taxes	0.63	0.59	0.00
Placement Charges	10.44	10.28	0.00
Interest on Income Tax	0.74	0.00	0.00
CSR Expenses	21.95	0.00	0.00
GST Paid	4.76	0.00	0.00
SUB TOTAL	946.64	754.37	508.59

ANNEXURE – Y
RESTATED STATEMENT OF CONTINGENT LIABILITIES

(Amount in Rs. Lakhs)

Particulars	For the Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Contingent liabilities in respect of:			
GST Demand as per GST portal	7.30	-	-
Pending litigations against company (apart from interest amount)	17.24	-	-
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	5.64	-	-
Guarantees given on Behalf of the Company	6.07	6.07	-
Estimated number of contracts remaining to be executed on capital account and not provided for	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-
TOTAL	36.24	6.07	-

Notes:

- GST department has passed an order for FY 2013-14, FY 2017-18 for Rs. 3.17 Lakhs & Rs. 4.13 lakhs respectively - Company has filed reply against the said order.
- The litigation amounting to Rs. 16.39 Lakhs along with 14% interest and Rs. 0.85 Lakhs along with 18% interest are still pending in the court.

ANNEXURE – Z
RESTATED STATEMENT OF RELATED PARTY TRANSACTION

LIST OF RELATED PARTIES AS PER AS - 18

Particulars	Names of related parties	Nature of Relationship
Directors and Key Managerial Personnel (KMP)	Narendra Singh Surana	Managing Director and Chairman
	Sudhanshu Surana	Whole time Director and CEO
	Avishkar Surana	Whole time Director and CFO
	Ajay Jain	Whole time Director
	Prateechi Agarwal	Non-Executive Director (w.e.f. 04-05-2024)
	Vivek Kumar	Independent Director (w.e.f. 04-05-2024)
	Ved Prakash Yajurvedi	Independent Director (w.e.f. 04-05-2024)
	Deepak Jain	Independent Director (w.e.f. 04-05-2024)
Relatives of Key Managerial Personnel	Pushpa Devi Surana	Wife of Managing Director and Chairman Narendra Singh Surana
	Aarti Jain	Wife of Whole time Director Ajay Jain
Enterprises in which Directors & Key	Sphinx Worldbiz GmbH Germany (Formerly known as SPHINX WORLDBIZ UG (haftungsbeschränkt))	Avishkar Surana hold interest

Management Personnel (KMP) are Interested	Sphinx Design and Engineering Services Private Limited	Ajay Jain, Sudhanshu & Narendra Singh Surana hold interest
	New Villa Properties & Finance Pvt Ltd	Sudhanshu & Narendra Singh Surana hold interest
	Shrmpro Private Limited	Sudhanshu & Avishkar Surana hold interest

(Amount in Rs. Lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
(i) Transactions with Director and KMP			
A) Remuneration/Professional fees			
Ajay Jain	11.88	11.88	11.07
Narendra Singh Surana	51.00	44.25	24.00
Sudhanshu Surana	42.00	37.50	31.10
Deepak Jain	42.00	38.35	20.56
B) Interest on Loan			
Narendra Singh Surana	1.21	0.00	0.00
(ii) Transactions with Relatives of Key Managerial Personnel			
A) Remuneration/Professional fees			
Aarti Jain	8.64	7.88	7.38
Pushpa Devi Surana	14.40	11.70	10.80
(iii) Transactions with Entities where Director/ KMP or their Relatives hold substantial Interest			
Sphinx Worldbiz GmbH Germany (Formerly known as SPHINX WORLDBIZ UG (haftungsbeschränkt))			
Sales of Goods by the Company	810.04	562.01	93.04
Purchase of Goods by the Company	-	12.80	35.60
Shrmpro Private Limited			
Sales of Goods by the Company	16.52		
Purchase of Goods by the Company	5.32		
(iv) Balance outstanding as at the end of the year			
Remuneration/Professional fee Payable [Cr/(Dr)]			
Ajay Jain	0.94	0.94	0.93
Narendra Singh Surana	38.64	1.90	1.48
Sudhanshu Surana	1.32	1.93	0.19
Avishkar Surana	2.49	2.46	1.62
Pushpa Devi Surana	0.99	0.92	0.80
Aarti Jain	0.72	0.72	0.59
Trade Receivables/(Trade Payables)			
Sphinx Worldbiz GmbH Germany (Formerly known as SPHINX WORLDBIZ UG (haftungsbeschränkt))	821.04	323.55	58.04
Shrmpro Private Limited	13.05		
Borrowings [Cr/(Dr)]			
Narendra Singh Surana	38.64	1.90	1.48
Sudhanshu Surana	1.32	1.93	0.19
Avishkar Surana	0.49	-	-

Notes:

- List of Related parties has been identified by the management and relied upon by the Auditor.
- In case there is no transaction with any of the above related parties, only name of such related parties has been disclosed as required by AS- 18.

ANNEXURE – ZA
RESTATED STATEMENT OF TAX SHELTER

(Amount in Rs. Lakhs)

Particulars	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
A Profit before taxes as restated	1051.69	894.16	420.49

B	Tax Rate Applicable %	29.120	27.820	27.820
C	Tax Impact (A*B)	306.25	248.76	116.98
	Adjustments:			
D	Permanent Differences			
	Expenses disallowed due to non-deduction of TDS	-	-	-
	Expenses disallowed Under Section 36 of the IT Act 1961	18.25	21.31	35.13
	Expenses disallowed Under Section 37 of the IT Act 1961	21.95	0.00	0.00
	Income exempt u/s 10			
	Total Permanent Differences	40.20	21.31	35.13
E	Timing Difference			
	Difference between tax depreciation and book depreciation	(79.66)	(25.10)	(36.41)
	Expenses Disallowed Under Section 43 B	18.50	-	-
	Expenses disallowed Under Section 40A(7) of the IT Act 1961	51.06	25.13	109.28
	Gratuity paid during the year as per valuation	(13.99)	(11.29)	(10.17)
	Total Timing Differences	(24.08)	(11.26)	62.71
	Set off of Carried forwarded Business Losses			
F	Net Adjustment (F) = (D+E)	16.12	10.05	97.84
G	Tax Expenses/ (Saving) thereon (F*B)	4.69	2.79	27.22
H	Tax Liability, After Considering the effect of Adjustment (C +G)	310.95	251.55	144.20
I	Book Profit as per MAT *	1064.34	138.20	545.23
J	MAT Rate	17.47	16.69	16.69
K	Tax liability as per MAT (I*J)	185.96	23.07	91.01
L	Current Tax being Higher of H or K	310.95	251.55	144.20
M	Interest U/s 234A, B and C of Income Tax Act			
N	Total Tax expenses (L+M+N)	310.95	251.55	144.20
P	Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company	Normal	Normal	Normal

* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act,1961

NOTES:

1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

ANNEXURE – ZB
RESTATED STATEMENT OF CAPITALISATION

(Amount in Rs. Lakhs)

Particulars	Pre-Issue	Post-Issue*
Debt		
Short Term Debt	41.90	*
Long Term Debt	1038.48	*
Total Debt	1080.38	*
Shareholders' Fund (Equity)		
Share Capital	50.20	*
Reserves & Surplus	2764.52	*
Less: Miscellaneous Expenses not w/off	-	*
Total Shareholders' Fund (Equity)	2814.73	*
Long Term Debt/Equity	0.37	*
Total Debt/Equity	0.38	*

* The corresponding post issue figures are not determinable at this stage.

Notes:

- Short term Debts represent which are expected to be paid/payable within 12 months and excludes instalment of term loans repayable within 12 months.
- Long term Debts represent debts other than Short term Debts as defined above but includes instalment of term loans repayable within 12 months grouped under other current liabilities.
- The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2024.

ANNEXURE – ZC
RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs Rs. Except Per Share Data)

Particulars	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
Net Worth (A)	2814.73	2082.71	1443.27
Restated Profit after tax	733.10	639.44	304.79
Less: Prior Period Item	-	-	-
Adjusted Profit after Tax (B)	733.10	639.44	304.79
Number of Equity shares (Face Value Rs 10) outstanding as on the end of Year	5,02,040	5,02,040	5,02,040
Weighted Average Number of Equity shares (Face Value Rs 10) after considering conversion of debentures and conversion of share warrants (C)	5,02,040	5,02,040	5,02,040
Weighted Average Number of Equity shares (Face Value Rs 10) after considering Bonus Issue of Shares (D)	1,55,63,240	1,55,63,240	1,55,63,240
Current Assets (E)	2858.95	2163.68	1255.38
Current Liabilities (F)	1573.54	1309.20	884.53
Face Value per Share	10.00	10.00	10.00
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D) (After Bonus)	4.71	4.11	1.96
Return on Net worth (%) (B/A)	26.05%	30.70%	21.12%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) Based on actual number of shares	560.66	414.85	287.48
Net asset value per share (A/D) (Face Value of Rs. 10 Each) Based on Weighted average number of shares	18.09	13.38	9.27
Current Ratio (E/F)	1.82	1.65	1.42
Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA)	626.03	758.48	442.50

Notes:

- The ratios have been computed as below:

- a. Basic 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
 - b. Diluted earnings per share (Rs.) -: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
 - c. Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
 - d. Net assets value per share -: Net Worth at the end of the year / Total number of equity shares outstanding at the end of the period or year
 - e. EBITDA has been calculated as Profit before Tax + Depreciation + Interest Expenses - Other Income
2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year 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 period/year.
 3. Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
 4. The figures disclosed above are based on the restated summary statements.
 5. Pursuant to Board resolution dated on 27th August, 2024, bonus issue of 1,50,61,200 equity shares of face value of Rs 10/- in the ratio 30:1 i.e. Thirty (30) bonus equity shares for every one (1) equity share held by shareholders has been issued.

ANNEXURE-ZD

OTHER DISCLOSURES AS PER SCHEDULE-III OF THE COMPANIES ACT, 2013

ZD 1-Value of imports calculated on C.I.F basis by the company during the financial year in respect of

(Amount in Rs. Lakhs)

Particulars	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
(a) Raw Material/Traded Goods	458.00	637.83	525.46
(b) Component/Spare parts	-	-	-
(c) Capital Goods	-	-	-

ZD 2-Total value of all imported and Indigenous raw materials, spare parts and components consumed during the financial year and the total value of all raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;

(Amount in Rs. Lakhs)

Details of consumption of Raw Material	For the year ended on					
	31-03-2024		31-03-2023		31-03-2022	
	Amount	%	Amount	%	Amount	%
Imported Raw Material/ Traded Goods	458.00	88.34%	637.83	88.13%	525.46	96.27%
Indigenous Raw Material/ Traded Goods	60.48	11.66%	85.92	11.87%	20.37	3.73%
TOTAL	518.47	100.00%	723.75	100.00%	545.83	100.00%

ZD 3-Earnings in Foreign Exchange

(Amount in Rs. Lakhs)

Particulars	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
(a) Export of goods calculated on FOB basis	595.55	536.30	403.37
(b) Export of services calculated on FOB basis	3024.96	3324.08	2051.45

ZD 4-Amounts remitted in foreign currency during the year on account of dividend

(Amount in Rs. Lakhs)

Particulars	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
(a) Amount of dividend remitted in foreign currency	-	-	-

ZD 5- Segment Reporting:

1. Primary Segment (Business Segment)

Company is engaged in providing an individual product or service and a group of related products or services and it is not subject to risks and returns that are different from those of other business segments. Therefore, the disclosure is not required.

2. Secondary Segment (Geographical Segment)

As a part of secondary reporting, revenues are attributed to geographical areas based on the location of the customers. The following table presents information relating to geographical segments for the year ended 31st March, 2024:

(Amount in Rs. Lakhs)			
Particulars	2023-24	2022-23	2021-22
Domestic	4292.94	3617.55	2517.61
Export	3620.51	3860.38	2454.82
TOTAL	7913.45	7477.93	4972.44

ANNEXURE-ZE

OTHER DISCLOSURES

ZE 1-DISCLOSURES RELATED TO MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has made payments of dues to Micro, Small and Medium enterprises generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act.

The details relating to Micro, Small and medium enterprise disclosed as under:

(Amount in Rs. Lakhs)				
S.No	Particulars	For the year ended on		
		31-03-2024	31-03-2023	31-03-2022
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	59.13	111.76	17.10
2	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

ZE 2-LEASES

(Amount in Rs. Lakhs)				
S N	Particulars	For the year ended on		
		31-03-2024	31-03-2023	31-03-2022
1	Future minimum rentals payable under non- cancellable operating Lease			
	- Not later than one Year	6.13	6.13	NA
	- Later than one Year and not later than five years	1.53	7.65	NA
2	Lease payments recognized in the Statement of profit and loss for the period, with separate amount	6.13	6.13	4.59

ZE 3-FOREIGN EXCHANGE EXPOSURE AS ON YEAR END ARE AS UNDER:**(Amount in Rs. Lakhs)**

SN	Particulars	For the year ended on		
		31-03-2024	31-03-2023	31-03-2022
(a)	Amount Receivable	1534.28	833.79	534.25
(b)	Advance received for supply of goods	37.64	83.11	32.28

ZE 4- AUDITORS REMUNERATION:**(Amount in Rs. Lakhs)**

SN	Particulars	For the year ended on		
		31-03-2024	31-03-2023	31-03-2022
(a)	As Auditors			
	Statutory & Tax Audit Fees	0.80	0.80	0.94
	Company Law Matters			
	Taxation matters			
	Management Services			
	Other Services	0.65	0.70	0.00
	Reimbursement of Expenses			
	Total	1.45	1.50	0.94

ANNEXURE-ZF**NORMAL OPERATING CYCLE AND CLASSIFICATION OF ASSETS AND LIABILITIES INTO CURRENT AND NON- CURRENT**

1. In accordance with the requirement of Schedule III, Normal Operating Cycle of the Company's business is determined and duly approved by the Board of Directors.
2. Assets and Liabilities of the above business have been classified into Current and Non-Current using the above Normal Operating Cycle and applying other criteria prescribed in Schedule III.

ANNEXURE-ZG**UNDISCLOSED INCOME**

The Company does not have any transaction or undisclosed income which are reported by tax authorities under any assessment year under tax Assessment (such as, search or survey or any other relevant provisions) under the income tax Act- 1961 and rules made thereunder.

ANNEXURE-ZH**TRANSACTION WITH STRUCK OFF COMPANIES**

The company has not transacted with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

ANNEXURE – ZI**RESTATED STATEMENT OF CSR EXPENDITURE****(Amount in Rs. Lakhs)**

Particulars	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
a) Amount required to be spent during the year	10.03	5.95	0.00
b) Amount of expenditure incurred	16.00	0.00	0.00
c) (Excess)/Short at the end of the year	(5.96)	5.95	0.00
d) Total of previous years shortfall	5.95	0.00	0.00
e) Reason for shortfall	NA	Due to lack of information, the CSR expenditure is not incurred by the company.	NA
f) Nature of CSR activities	Water management programmes	NA	NA

	environmental sustainability and agricultural development promoting education amongst Children promoting health care including preventive health care and sanitation and Disaster management Contribution towards Combating COVID Pandemic. Supporting women empowerment projects and Rural Development projects.		
g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA	NA
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA	NA

Note: The company was required to spend on CSR activities in the FY 2022-23 as the Net Profit of the preceding FY 2021-22 had exceeded the threshold limit of Rs. 5 Crores. The company had not spent the amount of CSR activities till 31-03-2023 and according to the Section 135 of the Companies Act 2013, if the company is in default, then the company is liable to a spend twice the amount that is originally required to be spend on CSR activity. Therefore, the provision amounting to Rs. 5,95,241.48 has been created.

ANNEXURE-ZJ

OTHER INFORMATION

1. The Company have not traded or invested in Crypto currency during the financial year
2. The Company have not advanced or loaned or invested fund to any other person or entity, including foreign entities (intermediaries) with the understanding that the intermediaries 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 (Ultimate Beneficiaries)
 - b. Provide any guarantee, security or the like to or on behalf of Ultimate Beneficiaries
3. The Company have not received any fund from any person or entity, including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) 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 Party (Ultimate Beneficiaries)
 - b. Provide any guarantee, security or the like to or on behalf of Ultimate Beneficiaries
4. The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risks associated with foreign currency fluctuations or for trading/speculation purpose.
5. Number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable on the company.
6. There are no proposed or arrears of dividend to be distributed to equity or preference shareholders for the period.
7. In opinion of board, none of the assets other than property, plant and equipments, Intangible assets and non-current investments which have a value on realization in the ordinary course of business less than the amount at which they are stated.
8. Company has not revalued its Property, Plant and Equipment.

ANNEXURE – ZK
RESTATED STATEMENT OF OTHER FINANCIAL RATIO

Sr. No.	Ratio	31-Mar-24	31-Mar-23	31-Mar-22
1	Current Ratio (No of Times)	1.82	1.65	1.42
2	Debt Equity Ratio (No of Times)	0.38	0.34	0.61
3	Debt Service Coverage Ratio (No of Times)	2.92	3.37	1.96
4	Return On Equity Ratio (%)	29.94%	36.27%	25.47%
5	Inventory Turnover Ratio (In Days)	1	1	19
6	Trade Receivable Turnover Ratio (In Days)	84	58	49
7	Trade Payable Turnover Ratio (In Days)	107	58	47
8	Net Capital Turnover Ratio (No of Times)	7.40	12.21	13.96
9	Net Profit Ratio (%)	9.26%	8.55%	6.13%
10	Return On Capital Employed (%)	28.77%	33.46%	20.66%
11	Return On Investment/Total Assets (%)	21.18%	23.39%	15.52%

NOTE: Details of numerator and denominator for the above ratio are as under:

- a. Current Ratio = Current Assets / Current Liabilities.
- b. Debt- equity ratio = Total debt / Shareholders' equity.
- c. Debt service coverage ratio = (Net Profit After Tax + Depreciation + Interest) / (Principal + Interest).
- d. Return on equity ratio = Net profit after taxes / Avg. Shareholder's Equity.
- e. Inventory turnover ratio = Cost of goods sold or sales / Average inventory.
- f. Trade receivables turnover ratio = Revenue from Operations / Average trade receivables.
- g. Trade payables turnover ratio = Purchase / Average trade payables.
- h. Net Capital turnover ratio = Net sales / Average working capital.
- i. Net profit ratio = Net profit after taxes / Total Revenue.
- j. Return on capital employed = Earnings before interest and taxes / Capital employed.
- k. Return on investment / Total Assets = PAT / Total Assets.

VARIATION BETWEEN FY2023-24 & FY 2022-23

S. No.	Particulars	Variation	Reason for more than 25% Variance
1	Current Ratio (No of Times)	9.94	
2	Debt Equity Ratio (No of Times)	14.38	
3	Debt Service Coverage Ratio (No of Times)	-13.11	
4	Return On Equity Ratio (%)	-17.46	
5	Inventory Turnover Ratio (In Days)	3.72	
6	Trade Receivable Turnover Ratio (In Days)	44.52	Due to increase in trade receivables in comparison to previous year
7	Trade Payable Turnover Ratio (In Days)	86.12	Due to increase in trade payables in comparison to previous year
8	Net Capital Turnover Ratio (No of Times) #	-39.40	Increase in working capital of the company in comparison to previous year
9	Net Profit Ratio (%)	8.34	
10	Return On Capital Employed (%)	-14.01	
11	Return On Investment/Total Assets (%)	-9.41	

VARIATION BETWEEN FY2022-23 & FY 2021-22

S. No.	Particulars	Variation	Reason for more than 25% Variance
1	Current Ratio (No of Times)	16.45	
2	Debt Equity Ratio (No of Times)	-45.38	Borrowing has been repaid during the year and there is an increase in shareholder's fund.
3	Debt Service Coverage Ratio (No of Times)	71.93	Net profit increased during the year
4	Return On Equity Ratio (%)	42.41	Revenue has increased this year in comparison to previous year resulting to increase in Net Profit of the Company.
5	Inventory Turnover Ratio (In Days)	-96.68	Decrease in average inventory as compared to previous year
6	Trade Receivable Turnover Ratio (In Days)	19.17	
7	Trade Payable Turnover Ratio (In Days)	22.28	

8	Net Capital Turnover Ratio (No of Times) #	-12.58	
9	Net Profit Ratio (%)	39.50	Revenue has increased this year in comparison to previous year resulting to increase in Net Profit of the Company.
10	Return On Capital Employed (%)	61.99	Net profit increased during the year
11	Return On Investment/Total Assets (%)	50.70	Net profit increased during the year

OTHER FINANCIAL INFORMATION

The Audited Financial Statements of our Company as at March 31, 2024, March 31, 2023 and March 31, 2022 and their respective Audit reports thereon (Audited Financial Statements) are available at www.sphinxworldbiz.com

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus; or (iii) Prospectus, a statement in lieu of a Prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective Employees, Directors, Affiliates, Agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI (ICDR) Regulations are given below:

-

(Amount in Rs. Lakhs, except percentages and ratios)

Particulars	For the year ended		
	31-Mar-24	31-Mar-23	31-Mar-22
Profit After Tax	733.10	639.44	304.79
Basic & Diluted Earnings per Share	4.71	4.11	1.96
Return on Net Worth (%)	26.05%	30.70%	21.12%
NAV per Equity Shares (Based on Actual Number of Shares)	560.66	414.85	287.48
NAV per Equity Shares (based on Weighted Average Number of Shares - With Bonus issue effect)	18.09	13.38	9.27
Earnings before interest, tax, depreciation and amortization (EBITDA)	626.03	758.48	442.50

STATEMENT OF FINANCIAL INDEBTEDNESS

To,
The Board of Directors,
Sphinx Worldbiz Limited
A-27B, Sector-16, Gautam Buddha Nagar,
Noida -201301, Uttar Pradesh, India.

Dear Sir,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of **Sphinx Worldbiz Limited** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 31 March, 2024 are mentioned below.

A. SECURED LOANS

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose	Loan Reference No.	Sanctioned Amount (Rs. In Lakhs)	Rate of interest- (P.A)	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31.03.2024 (Rs. In Lakhs)
Axis Bank	Vehicle Loan	AUR012605171572	20.00	8.75%	Primary Security: Hypothecated against vehicle. Collateral Security: Note-2	Repayable in 60 equated monthly instalments of Rs. 0.41 Lakhs each	4.68
Axis Bank	Vehicle Loan	AUR012606021484	73.74	7.45%	Primary Security: Hypothecated against vehicle. Collateral Security: Note-2	Repayable in 84 equated monthly instalments of Rs. 1.13 lakhs each	46.48
Axis Bank	Vehicle Loan	AUR082403959113	29.78	9.30%	Primary Security: Hypothecated against vehicle. Collateral Security: Note-2	Repayable in 84 equated monthly instalments of Rs. 0.48 lakhs each	10.44
Kotak Mahindra Bank	FCYCL Foreign Currency Loan	5029fc040000006	218.50 (Euro 3.94)	2.30%	Primary Security: First and exclusive charge on all existing and future current assets of the firm. Collateral Security: Note-3	Repayable in 60 equated monthly instalments of Euro 0.07 Lakhs each	191.14

Kotak Mahindra Bank	FCYCL Foreign Currency Loan	5029fc040000008	121.70 (Euro 1.70)	6.41%	Primary Security: First and exclusive charge on all existing and future current assets of the firm. Collateral Security: Note-3	Repayable in 60 equated monthly instalments of Euro 0.05 Lakhs each	115.16
Kotak Mahindra Bank	FCYCL Foreign Currency Loan	5029fc040000004	69.90 (Euro 2.31)	3,30%	Primary Security: First and exclusive charge on all existing and future current assets of the firm. Collateral Security: Note-3	Repayable in 60 equated monthly instalments of Euro. 0.04 Lakhs each	66.16
Kotak Mahindra Bank	FCYCL Foreign Currency Loan	5029fc040000005	138.85 (Euro 4.41)	2.75%	Primary Security: First and exclusive charge on all existing and future current assets of the firm. Collateral Security: Note-3	Repayable in 60 equated monthly instalments of Euro. 0.08 Lakhs each	127.16
Kotak Mahindra Bank (Note-1)	FCYCL Foreign Currency Loan	B8A-WC/5029/E/90884985/02/2023-24	₹ 595.00	To be decided at the time of drawl	Primary Security: First and exclusive charge on all existing and future current assets of the firm. Collateral Security: Note-1 & Note-3	Repayable in 60 equated monthly instalments. The instalment is to be decided at the time of drawl	-
Yes Bank	FCNR (B) Loans	239LA11241730001	606.30 (Euro 4.55)	5.97%	Primary Security: Exclusive charge by way of equitable mortgage on Commercial Property located at Office No. 4, 5, 6, 7, 8, 9, 10&11,12 7 th Floor, Platinum Tower, S. No. 28/3/1, Old Mundhwa Road, Kharadi, Tal. Haveli, Dist. Pune 411014 Collateral Security: Note-4	Repayable in 47 equated monthly instalments of Euro 0.02 Lakhs each	109.31
Yes Bank	FCNR (B) Loans	239LA11231310004		6.02%	Primary Security: Exclusive charge by way of equitable mortgage on Commercial Property located at Office No. 4, 5, 6, 7, 8, 9, 10, & 11,12 7 th Floor, Platinum Tower, S. No. 28/3/1, Old Mundhwa Road, Kharadi, Tal. Haveli, Dist. Pune 411014 Collateral Security: Note-4	Repayable in 60 equated monthly instalments of Euro. 0.06 Lakhs each	274.27
Daimler Financial Services India Private Limited	Vehicle Loan	10149211	₹ 66.00	8.05%	Primary Security: Hypothecated against vehicle Collateral Security: Note-5	Repayable in 59 equated monthly instalments of Rs. 0.96 Lakhs each and 60 th month instalment of Rs. 29.03 lakhs	53.22

Kotak Mahindra Bank Overdraft	Overdraft Facility	B8A-WC/5029/E/9 0884985/02/2 023-24	₹ 20.00	RPRR+2.5 % p.a	Primary Security: Extension of Exclusive charge on all existing and future current assets and movable fixed assets of the borrower. Collateral Security: Note-3	Repayable on demand	20
Kotak Mahindra Bank Overdraft	Overdraft Facility	B8A-WC/5029/E/9 0884985/02/2 023-24	₹ 200.00	8.5% p.a	Primary Security: Extension of Exclusive charge on all existing and future current assets and movable fixed assets of the borrower. Collateral Security: Note-3	Repayable on demand	21.9
Total (fund based)							1039.92
Total (non-fund based)							0.00
Grand Total							1039.92

Note: The EMI amount in foreign currency loan is subject to variation due to exposure to foreign exchange rate fluctuations. Hence, EMI Amount is disclosed in Euros.

Note 1: The Company has taken loan from Kotak Mahindra Banks. However, no drawl has been made in the restatement period.

Note-2

Collateral Security:

These are the vehicle loan and there is no collateral security and personal guarantee

Note-3

Collateral Security:

Collateral details (Exact description, location of the property & ownership)	Remarks/Type of Charge
Office No 5,6,7 and 8, Ground floor, Pride Icon, Sr. No. 22/1/1A & 22/1/1B, Kharadi, Pune - 411014 owned by M/s Sphinx Worldbiz Limited.	Continuation of Equitable Mortgage
Plot No-27-B, Block-A, Sector-16, Noida U.P - 201301 owned by M/s Sphinx Worldbiz Limited.	Extension of Equitable Mortgage
Plot No. 27, Block-G, Sector-39, Distt. Gautam Budh Nagar, Uttar Pradesh-201301 owned by M/s Sphinx Worldbiz Limited.	Extension of Equitable Mortgage
FD of Rs. 200.00 Lakhs in the name of M/s Sphinx Worldbiz Limited.	Lien Over FD

Personal Guarantee:

1. Narendra Singh Surana
2. Sudhanshu Surana
3. Avishkar Surana

Note-4

Personal Guarantee:

1. Narendra Singh Surana
2. Sudhanshu Surana

3. Avishkar Surana

Note-5 These are the vehicle loan and there is no collateral security and personal guarantee

B. UNSECURED LOANS- FROM OTHERS

Name of Lender	Purpose	Rate of interest (p.a)	Re-Payment Schedule	Outstanding amount as at (Amount in Rs. Lakhs)
				31-03-2024
Narendra Singh Surana	Business Purpose	14 %	Repayable on demand	38.64
Sudhanshu Surana	Business Purpose	NA	Repayable on demand	1.32
Avishkar Surana	Business Purpose	NA	Repayable on demand	0.49
Total				40.46

For, M/s. S R Goyal & Co
Chartered Accountants
Firm Registration No: 001537C

Sd/-
A. K. Atolia
Partner
Mem No: 077201
Date: September 25, 2024
UDIN: 24077201BKEQGD6044

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled “**Financial Information of the Company**” beginning on page 156. You should also read the section titled “**Risk Factors**” on page 28 and the section titled “**Forward Looking Statements**” on page 20 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Financial Statements.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated September 25, 2024, which is included in this Draft Red Herring Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

Business Overview:

We provide manufacturing engineering solutions, along with product designing, software development and embedded engineering services tailored for various industries such as Automotive Industry, White Goods industry, IT Industry, Manufacturing Industry etc. Our manufacturing engineering solutions comprise of BIW (Body in white) fixture designing & robotic simulation, designing of special purpose machineries, BIW die designing and control electrical engineering services. Under product designing, we provide both Onsite & offsite Product designing services to our customers along with designing of prototypes through our production vendor. We use modern technologies, skilled teams and proprietary software to optimize processes, ensuring consistent quality services for our customers. We have accreditations such as ISO 9001:2015 for the scope of design, engineering services and software services with support functions, for various industries.

Our design and engineering team consisting of more than 600 employees is engaged in providing engineering and software solutions, ensuring compliance and quality standards laid down by the customers. To support these solutions, we use software such as “CATIA”, “SIEMENS NX”, “CREO” etc. to deliver customized design solutions to our customers. Our team handles conceptual design, modeling, visualization and prototype designing for various products, ensuring precise alignment with the specific requirements of the customers. Generally, we provide our services through service contracts, entered with our customers, specifying the scope of work, deliverables, timelines and pricing.

Our Company incorporated in 1996, We started our engineering solutions journey with product design & software division and began focusing on providing designing and software services. Over the years, we have expanded our range of services and geographical reach by introducing various other services like BIW Die Design, Control Electric engineering, Special purpose machine, BIW Fixture Design, Prototype development through Production Vendor etc. We have grown by the establishing additional branches and expanding our customer base across various industries and geographies. As on the date of this Draft Red Herring Prospectus, in addition to our corporate office, we have four other branches located in Pune, Haridwar, Gurugram and Noida. We have continually invested in technology and human resources to remain competitive in the market, allowing us to offer effective engineering solutions and software to our customers.

Our revenue is generated from both domestic operations within India and international business and we have served more than 30 countries across the globe in last three financial years. Below is the summary of geography wise turnover of our company during last three financial years:

(Rupees in Lakhs excepts percentage)

Geographical Areas	FY 2023-24	%	FY 2022-23	%	FY 2021-22	%
Domestic	4292.94	54.25	3617.55	48.38	2517.61	50.63
International	3620.51	45.75	3860.38	51.62	2454.83	49.37
Total	7913.45	100.00	7477.93	100.00	4972.44	100.00

We rely on the expertise and experience of our key promoters, Narendra Singh Surana, Sudhansu Surana, and Avishkar Surana. Their active involvement in administration, finance and accounting, business development and marketing, legal matters, and corporate strategy and planning is pivotal to our company's growth and success in engineering design services. Narendra Singh Surana has an overall experience of 28 years out of which he has an experience of more than 20 years in the engineering solutions industry and he majorly contributes to strategic operational decision of the company. Sudhansu

Surana, with more than 17 years of experience in this industry, focuses on software development, IT solutions, HR & Administration and Marketing of Software division of the company. Avishkar Surana has 10 years of experience in International Marketing and engineering industry and supports our efforts in expanding international market. He also has experience in finance, managing financial matters for the company. We believe that the quality of our promoters is crucial to our success for delivering effective services to our customers in the field of engineering design services. Their experience to make informed decisions, tailored to industry and sector specific requirements help us to expand our business operations.

The following table sets forth certain key performance indicators for the years indicated:

(Rs. In Lakhs except percentages and ratios)			
Key Financial Performance	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	7,913.45	7,477.93	4,972.44
EBITDA ⁽²⁾	626.03	758.48	442.50
EBITDA Margin ⁽³⁾	7.91%	10.14%	8.90%
PAT ⁽⁴⁾	733.10	639.44	304.79
PAT Margin ⁽⁵⁾	9.26%	8.55%	6.13%
RoE (%) ⁽⁶⁾	29.94%	36.27%	25.47%
RoCE (%) ⁽⁷⁾	28.77%	33.46%	20.66%
Net Worth ⁽⁸⁾	2814.73	2082.71	1443.27

Notes:

⁽¹⁾ Revenue from operation means revenue from sales and other operating revenues

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses

⁽⁵⁾ 'PAT Margin' is calculated as PAT for the year divided by revenue from operations.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

⁽⁸⁾ Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Preliminary Expenses to the extent not written-off

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of *Statement of Significant Accounting Policies*, please refer to *Restated Financial Statements* beginning on page 156 of this Draft Red Herring Prospectus.

Factors Affecting our Results of Operations

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Failure to successfully upgrade our product portfolio, from time to time;
3. Our ability to successfully implement our strategy, our growth and expansion, technological changes;
4. Pricing pressure due to intense competition in the market for IT Services;

5. Dependence on third parties to provide us our testing equipments and reagents or recall of existing testing equipment and reagents;
6. Any change in government policies resulting in increases in taxes payable by us;
7. Our ability to retain our key managements persons and other employees;
8. Changes in laws and regulations that apply to the industries in which we operate.
9. Failure or malfunction of our equipment;
10. Our failure to keep pace with rapid changes in technology;
11. Our ability to grow our business;
12. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
13. General economic, political and other risks that are out of our control;
14. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
15. Company's ability to successfully implement its growth strategy and expansion plans;
16. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
17. Inability to successfully obtain registrations in a timely manner or at all;
18. Occurrence of Environmental Problems & Uninsured Losses;
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. Any adverse outcome in the legal proceedings in which we are involved;
21. Concentration of ownership among our Promoter;
22. The performance of the financial markets in India and globally;
23. Global distress due to pandemic, war or by any other reason.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the financial years ending March 31, 2024, March 31, 2023 and March 31, 2022.

(₹ in Lakhs)

Particulars	For financial year ended					
	FY 2023-24	% of Total Income	FY 2022-23	% of Total Income	FY 2021-22	% of Total Income
Income						
Revenue From Operation	7,913.45	92.64	7,477.93	96.06	4,972.44	96.91
Other Income	628.35	7.36	306.94	3.94	158.69	3.09
Total Income	8,541.80	100.00	7,784.86	100.00	5,131.12	100.00
Expenditure						
Cost of Service Consumed	618.64	7.24	825.64	10.61	433.91	8.46
Purchases of Stock in Trade	518.47	6.07	723.75	9.30	545.83	10.64
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	0.22	0.00	0.41	0.01	59.07	1.15
Employee Benefit Expenses	5,007.13	58.62	4,240.88	54.48	2,871.49	55.96
Finance Cost	69.06	0.81	36.60	0.47	60.81	1.19
Depreciation and Amortisation Expenses	141.26	1.65	141.74	1.82	126.68	2.47
Other Expenses	1,135.31	13.29	921.68	11.84	612.83	11.94
Total Expenditure	7,490.10	87.69	6,890.70	88.51	4,710.63	91.81
Profit/(Loss) Before Exceptional & extraordinary items & Tax	1,051.69	12.31	894.16	11.49	420.49	8.19
Exceptional Item	-	-	-	-	-	-
Profit/(Loss) Before extraordinary items	1,051.69	12.31	894.16	11.49	420.49	8.19
Prior period items	-	-	-	-	-	-
Profit/(Loss) Before Tax	1051.69	12.31	894.16	11.49	420.49	8.19
Tax Expense:						
Tax Expense for Current Year	310.95	3.64	251.55	3.23	144.20	2.81
Deferred Tax	7.64	0.09	3.17	0.04	-28.50	-0.56
Net Current Tax Expenses	318.59	3.73	254.72	3.27	115.70	2.25
Profit/(Loss) for the Year	733.10	8.58	639.44	8.21	304.79	5.94

Revenue from operations:

We provide manufacturing engineering solutions, alongwith product designing, software development and embedded engineering services tailored for various industries such as Automotive Industry, White Goods industry, IT Industry, Manufacturing Industry etc.

Other Income:

Our other income primarily comprises of Interest & Foreign Exchange income.

Total Expenses:

Company's expenses consist of cost of services, Purchase of Stock-in-trade, Change in Inventories, employee benefit expenses, finance cost, depreciation and amortization expenses and other expenses

Cost of Service:

Our cost of Service comprises of Computer consumables, Consultancy Charges, Job Work Outsourcing Expenses and Engineering Services.

Purchase of Stock-in-trade:

Purchase of Stock-in-trade comprises Prototypes.

Changes in inventories:

Changes in inventories comprises of changes in inventory of stock-in-trade (finished goods i.e. Prototypes)

Employee benefits expense:

Our employee benefits expense primarily comprises of Salaries and wages, Director's Remuneration, Contribution to Provident and other funds, staff welfare expenses etc.

Finance Costs:

Our finance cost includes Interest on loan other borrowing costs like bank charges, loan processing fees etc.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on Property, furniture & fixtures, office equipments, Computer etc.

Other Expenses:

Our other expenses include Administrative Charges, Rent, Rates and Taxes, Insurance Expenses, Custom Duty, Water & Electricity Expenses, Legal & Professional Fees, Internet Charges, Office Maintenance Expenses, Travelling Expenses, Software Development Expenses, Placement Charges etc.

Financial Year 2024 Compared to Financial Year 2023 (Based on Restated Financial Statements)

Total Income:

Total income for the financial year 2023-24 stood at Rs. 8,541.80 Lakhs whereas in Financial Year 2022-23 the same stood at Rs. 7,784.86 Lakhs representing an increase of 9.72%. The main reason for increase in total income was due to increase in the sale of our services, majorly due to increase in sale from Product Design Division from Rs. 4587.53 lakhs in FY 2022-23 to Rs. 4919.47 lakhs in FY 2023-24, representing an increase of 7.24% and increase in sales of manufacturing engineering solutions from Rs. 2170.82 Lakhs to Rs. 2454.58 Lakhs representing an increase of 13.07%. Along with same there was also increase in other income on account of foreign exchange income which increased from Rs. 243.36 Lakhs in FY 2022-23 to Rs. 583.88 Lakhs in FY 2023-24, representing an increase of 139.92%

Revenue from Operations

During the financial year 2023-24, the net revenue from operation of our Company increased to Rs. 7,913.45 Lakhs as against Rs. 7,477.93 Lakhs in the Financial Year 2022-23 representing an increase of 5.82%. The main reason for increase in total revenue from operation was due to increase in the sale of our services, majorly due to increase in sale from Product Design Division from Rs. 4587.53 lakhs in FY 2022-23 to Rs. 4919.47 lakhs in FY 2023-24, representing an increase of 7.24% and increase in sales of manufacturing engineering solutions from Rs. 2170.82 Lakhs to Rs. 2454.58 Lakhs representing an increase of 13.07%.

Other Income:

During the financial year 2023-24, the other income of our Company increased to Rs. 628.35 Lakhs as against Rs. 306.94 lakhs in the Financial Year 2022-23 representing increase by 104.71%. The increase in other income was majorly due to increase in foreign exchange gain and interest income. Foreign exchange income increased from Rs. 243.36 Lakhs in FY 2022-23 to Rs. 583.88 Lakhs in FY 2023-24, representing an increase of 139.92%

Total Expenses

The total expense for the financial year 2023-24 increased to Rs. 7,490.10 Lakhs from Rs. 6,890.70 lakhs in the Financial Year 2022-23 representing an increase of 8.70%. Such increase was mainly due to increase in employee benefit expenses from Rs. 4,240.88 lakhs in FY 2022-23 to Rs. 5,007.13 Lakhs in FY 2023-24 representing an increase of 18.07%, increase in finance cost from Rs. 36.60 Lakhs in Fiscal 2022-23 to Rs. 69.06 Lakhs in Fiscal 2023-24 representing an increase of 88.70% and increase in other expenses from Rs. 921.68 lakhs in fiscal 2022-23 to Rs. 1,135.31 lakhs in fiscal 2023-24 representing an increase of 23.18%.

Cost of services

Cost of Services decreased to Rs. 618.64 lakhs in Fiscal 2023-24 from Rs. 825.64 lakhs in Fiscal 2022-23 representing a decrease of 25.07%. Such decrease was due to decrease in Engineering Services from Rs. 677.49 Lakhs in FY 2022-23 to Rs. 473.96 Lakhs in FY 2023-24 and decrease in Computer Consumables from Rs. 55.95 Lakhs in FY 2022-23 to Rs. 31.06 Lakhs in FY 2023-24.

Purchase and change in inventory of Stock-in-Trade

Cost of Purchases of stock-in-trade and related inventory decreased from Rs. 724.16 Lakhs in FY 2022-23 to Rs. 518.69 Lakhs in FY 2023-24 representing a decrease of 39.61%. Such decrease was due to decrease in purchase of Prototypes from Rs. 723.75 Lakhs in FY 2022-23 to Rs. 518.47 Lakhs in FY 2023-24.

Employee benefits expense:

Our Company has incurred Rs. 5,007.13 Lakhs as Employee benefits expense during the financial year 2023-24 as compared to Rs. 4,240.88 Lakhs in the financial year 2022-23. The increase of 18.07% was mainly due to increase in salary & wages, Director Remuneration and contribution to Provident fund, Gratuity and other funds.

Finance costs:

These costs were for the financial Year 2023-24 increased to Rs. 69.06 Lakhs as against Rs. 36.60 Lakhs during the financial year 2022-23. The increase of 88.70% in finance cost majorly due to increase in interest expenses.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2023-24 stood at Rs. 141.26 Lakhs as against Rs. 141.74 Lakhs during the financial year 2022-23. The decrease in depreciation was around 0.34% in comparison to the previous year.

Other Expenses:

Our Company has incurred Rs. 1,135.31 Lakhs during the Financial Year 2023-24 on other expenses as against Rs. 921.68 Lakhs during the financial year 2022-23. There was an increase of 23.18% mainly due to increase in expenses like Rent, Rates & taxes, Water & Electricity Expenses, Legal & professional Expenses, Internet Charges, AMC Charges, Travelling Expenses, Commission Expense, CSR expenses etc.

Restated profit before tax:

Net profit before tax for the financial year 2023-24 increased to Rs. 1,051.69 Lakhs as compared to Rs. 894.16 Lakhs in the financial year 2022-23, which was majorly due to factors as mentioned above.

Restated profit for the year:

The Company reported Restated profit after tax for the financial year 2023-24 of Rs. 733.10 Lakhs in comparison to Rs. 639.44 lakhs in the financial year 2022-23. The increase of 14.65% was majorly due to increase in Revenue from operations and Foreign Exchange income.

Financial Year 2023 Compared to Financial Year 2022 (Based on Restated Financial Statements)

Total Income:

Total income for the financial year 2022-23 stood at Rs. 7,784.86 Lakhs whereas in Financial Year 2021-22 the same stood at Rs. 5,131.12 Lakhs representing an increase of 51.72%. The main reason for increase in total income was due to increase in the sale of our services, majorly due to increase in sale from Manufacturing Engineering Solutions which increased from Rs. 1446.26 Lakhs in FY 2021-22 to Rs. 2170.82 Lakhs in FY 2022-23 representing an increase of 50.10%, increase in sale from Product Design Division which increased from Rs. 3223.30 Lakhs in FY 2021-22 to Rs. 4587.53 Lakhs in FY 2022-23 representing an increase of 42.32% and increase in sales from software division which increased from Rs. 302.88 Lakhs in FY 2021-22 to Rs. 719.58 Lakhs in FY 2022-23 representing an increase of 137.58%.

Revenue from Operations

During the financial year 2022-23, the net revenue from operation of our Company increased to Rs. 7,477.93 Lakhs as against Rs. 4,972.44 Lakhs in the Financial Year 2021-22 representing an increase of 50.39%. The main reason for increase in total revenue was due to increase in the sale of our services, majorly due to increase in sale from Manufacturing Engineering Solutions which increased from Rs. 1446.26 Lakhs in FY 2021-22 to Rs. 2170.82 Lakhs in FY 2022-23 representing an increase of 50.10%, increase in sale from Product Design Division which increased from Rs. 3223.30 Lakhs in FY 2021-22 to Rs. 4587.53 Lakhs in FY 2022-23 representing an increase of 42.32% and increase in sales from software division which increased from Rs. 302.88 Lakhs in FY 2021-22 to Rs. 719.58 Lakhs in FY 2022-23 representing an increase of 137.58%.

Other Income:

During the financial year 2022-23 the other income of our Company increased to Rs. 306.94 Lakhs as against to Rs. 158.69 lakhs in the Financial Year 2021-22 representing an increase of 93.42 %. The increase was due to increase in foreign exchange gain from Rs.151.90 lakhs in FY 2021-22 to Rs. 243.36 Lakhs in FY 2022-23 representing an increase of 60.21%.

Total Expenses

The total expense for the financial year 2022-23 increased to Rs. 6,890.70 Lakhs from Rs. 4,710.63 lakhs in the Financial Year 2021-22 representing an increase of 46.28%. Such increase was due to increase in business operations of the Company. The Purchase of stock in trade increased from Rs. 545.83 lakhs in Fiscal 2021-22 to Rs. 723.75 lakhs in Fiscal 2022-23 representing an increase of 32.60%, cost of service increased from Rs. 433.91 lakhs in Fiscal 2021-22 to Rs. 825.64 lakhs in Fiscal 2022-23 representing an increase of 90.28%, increase in employee benefit expenses from Rs. 2,871.49 lakhs in Fiscal 2021-22 to Rs. 4,240.88 Lakhs in Fiscal 2022-23 representing an increase of 47.69% and increase in other expenses from Rs. 612.83 lakhs in fiscal 2021-22 to Rs. 921.68 lakhs in fiscal 2022-23 representing an increase of 50.40% as compared with previous year.

Cost of services

The cost of service increased from Rs. 433.91 lakhs in Fiscal 2021-22 to Rs. 825.64 lakhs in Fiscal 2022-23 representing an increase of 90.28%. Such increase was due to increase in cost of computer consumables from Rs. 46.43 lakhs in FY 2021-22 to Rs. 55.95 lakhs in FY 2022-23 representing an increase of 20.50% and increase in cost of engineering services from Rs. 264.26 Lakhs in FY 2021-22 to Rs. 677.49 Lakhs in FY 2022-23 representing an increase of 156.37%

Purchase and change in inventory of Stock-in-Trade

Cost of Purchases of stock-in-trade and related inventory increased from Rs. 604.90 Lakhs in FY 2021-22 to Rs. 724.16 Lakhs in FY 2022-23 representing an increase of 19.72%. Such increase was due to increase in purchase of Prototypes from Rs. 545.83 Lakhs in FY 2021-22 to Rs. 723.75 Lakhs in FY 2022-23.

Employee benefits expense:

Our Company has incurred Rs. 4,240.88 Lakhs as Employee benefits expense during the financial year 2022-23 as compared to Rs. 2,871.49 Lakhs in the financial year 2021-22 representing an increase of 47.69% mainly due to increase in salary and wages, Director's remuneration and contribution to provident fund and other funds.

Finance costs:

These costs were for the financial Year 2022-23 decreased to Rs. 36.60 Lakhs as against Rs. 60.81 Lakhs during the financial year 2021-22. The decrease of 39.81% in finance cost majorly due to decrease in interest Expense.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2022-23 stood at Rs. 141.74 Lakhs as against Rs. 126.68 Lakhs during the financial year 2021-22. The increase in depreciation was around 11.89% in comparison to the previous year.

Other Expenses:

Our Company has incurred Rs. 921.68 Lakhs during the Financial Year 2022-23 on other expenses as against Rs. 612.83 Lakhs during the financial year 2021-22. There was an increase of 50.40% mainly due to increase in expenses like Rent, Rates & taxes, Custom Duty, travelling expense, water & electricity expenses, legal & Professional expenses, Internet charges, office maintenance expenses, software development expenses, placement charges etc.

Restated profit before tax:

Net profit before tax for the financial year 2022-23 increased to Rs. 894.16 Lakhs as compared to Rs. 420.49 Lakhs in the financial year 2021-22, which was majorly due to factors as mentioned above.

Restated profit for the year:

The Company reported Restated profit after tax for the financial year 2022-23 of Rs. 639.44 Lakhs in comparison to Rs. 304.79 lakhs in the financial year 2021-22. The increase of 109.80% was majorly due to increase in Revenue from operations and Foreign Exchange income.

Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section "**Risk Factors**" beginning on page 28 of this Draft Red Herring 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

Other than as described in the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 28, 112 and 206 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Segment Reporting

Our business activity primarily falls within a single business segment at multiple geographical segments, as disclosed in “*Restated Financial Statements*” on page 156 of this Draft Red Herring Prospectus.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter “*Our Business*”, our Company has not announced any new product or service.

7. Seasonality of business

Our business is not subject to seasonality. For further information, see “*Industry Overview*” and “*Our Business*” on pages 104 and 112, respectively.

8. Dependence on single or few customers

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers.

9. Competitive conditions

Competitive conditions are as described under the Chapters “*Industry Overview*” and “*Our Business*” beginning on pages 104 and 112 respectively of this Draft Red Herring Prospectus.

10. Details of material developments after the date of last balance sheet i.e. March 31, 2024.

After the date of last Balance sheet i.e. March 31, 2024, the following material events have occurred after the last audited period –

- 1) The Authorized Share Capital of the Company was increased from Rs. 3,00,00,000/- divided into 30,00,000 Equity Shares of Rs.10/- each to Rs. 23,00,00,000/- divided into 2,30,00,000 Equity Shares of Rs. 10/- vide Extra Ordinary General Meeting held on May 31, 2024
- 2) The Board of Directors in their meeting held on August 27, 2024 allotted 1,50,61,200 Bonus shares in the ratio of 30:1 i.e. Thirty (30) Equity shares for every one (1) Equity share held by each shareholder.
- 3) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 03, 2024 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on July 29, 2024 pursuant to section 62(1)(c) of the Companies Act, 2013.
- 4) Our company has approved the audited financial statements of our Company for the financial year ended March 31, 2024 in the Board meeting dated August 27, 2024
- 5) Our Company has conducted Annual General Meeting on September 20, 2024
- 6) Our company has approved the restated audited financial statements for the financial year ending March 31, 2024, March 31, 2023, and March 31, 2022 in the Board meeting dated September 25, 2024
- 7) Our Company has approved the Draft Red Herring Prospectus vide resolution in the Board Meeting dated September 30, 2024.

CAPITALISATION STATEMENT**(Amount in Rs. Lakhs)**

Particulars	Pre-Issue	Post Issue*
	31-Mar-24	
Debt		
Short Term Debt	41.90	*
Long Term Debt	1038.48	*
Total Debt	1080.38	*
Shareholders' Fund (Equity)		
Share Capital	50.20	*
Reserves & Surplus	2764.52	*
Less: Miscellaneous Expenses not w/off	-	*
Total Shareholders' Fund (Equity)	2814.73	*
Long Term Debt/Equity	0.37	*
Total Debt/Equity	0.38	*

*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes instalment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short Term Debts as defined above but includes instalment of term loans repayable within 12 months grouped under other short term borrowings.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2024

SECTION VII – LEGAL AND OTHER INFORMATION**OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors, Promoters, Group Company.

*Our Board, in its meeting held on July 03, 2024, determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“**Material Litigation**”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.*

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5.00% of the Company’s trade payables as per the last restated financial statements

A. LITIGATION INVOLVING THE COMPANY**a) Criminal proceedings against the Company**

A Warrant or Summons No. 536281/2024 has been issued against the Company for Traffic Challan under section 177 of Motor Vehicles Act, in the court of Chief Judicial Magistrate, Gautam Budh Nagar, Uttar Pradesh on November 24, 2022. The case is still pending.

b) Criminal proceedings filed by the Company

Our Company had filed an FIR No.759/2020 under section 420, 408 and 66 of Indian Penal Code 1860 (IPC) against Achin Kumar Gupta (Achin), Vinod Kumar Yadav (Vinod) and Rahul Kumar Sharma (Rahul) in the Police station, Sector-20, NOIDA. Achin was the Project Coordinator, Vinod was a Senior Software Engineer and Rahul was a Senior DevOps Engineer working for the same project for ‘Neo Intelligence’, an Australia-based client of our Company. Achin and others were involved in aiding and assisting in illegal actions, including changing the password of the server of Neo Intelligence without authorization of our Company, transferring confidential information without consent, and resigned immediately after Neo Intelligence terminated their contract with our Company. In our complaint it was alleged that Achin, as the Project Coordinator, played a crucial role in coordinating the project, liaising with the client, and facilitating the aforesaid unlawful activities. Our Company also submitted Cyber Forensic Analysis reports of Virtual Server, MacBook Pro, and Laptop to assist in the investigation. The amount in dispute is AUD\$26,157.00(converted to Rs. 14.62 Lakhs @ Rs.55.90 per AUD\$ as on September 10, 2024), representing an unpaid invoice raised by our Company against Neo Intelligence.

The concerned Investigating Officer filed a Final Report dated February 17, 2021 before Chief Judicial Magistrate, Gautam Budha Nagar, NOIDA, on March 31, 2021 in the matter. Our Company has challenged the said report on the grounds of inadequate investigation, biased final report, failure to consider forensic evidence and lack of understanding of the complainant's grievances and has prayed for setting aside the Final Report, directing a fresh investigation and seeking justice for financial and moral harm caused to the Company. Matter is currently pending.

c) Actions by statutory and regulatory authorities against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

d) Tax Proceedings

Nature of Proceedings	Number of cases	Amount involved (₹ in lakhs)	Status
Direct Tax- Income Tax e- Proceedings	1	Unascertainable	Notice dated October 09, 2018 for AY 2017-18 for disallowance of expenditure of Rs. 5,47,423 u/s 143(1)(a) received by the Company. There is no outstanding demand shown on the portal

Nature of Proceedings	Number of cases	Amount involved (₹ in lakhs)	Status
Direct Tax-TDS Defaults	10	5.64	Towards TDS Defaults
Indirect Tax	5	7.30	1. Notice (DRC-7A) dated January 19, 2024 for FY 2013-14 for an amount of Rs. 3.17 Lakh. 2. Notice for Recovery of Demand (DRC-07) dated February 22, 2023 for FY 2017-18 for an amount of Rs. 3.05 Lakh 3. Notice (DRC-7A) dated January 19, 2024 for FY 2017-18 for an amount of Rs. 0.75 Lakh. 4. Order (DRC-07) dated October 18, 2020 for the FY 2017-18 for an amount of Rs. 0.33 lakhs. 5. ASMT-10 Notice dated January 06, 2024 for FY 2023-24 for discrepancies in excess claims of ITC as per GSTR 2B & GSTR 3B. No Show Cause cum Demand notice issued in this case as such the amount of demand is unascertainable.
Total	16	12.94	

e) **Other pending material litigations against the Company**

1. A case under section 33 C-2 of Industrial Dispute Act, 1947 has been filed by Amar Nathuram Mohite (ex-employee) in the Labour Court, Pune against the Company and Chief Administrator, Aditya Thakur. The complainant has claimed non-payment of salaries for the months of September and October of the year 2022 amounting to Rs. 0.60 Lakhs. In addition to the unpaid salary, he is also claiming accruing interest at 18% per annum until realization, legal fees, charges, expenses, and compensation of Rs. 0.25 Lakhs for mental agonies, physical harassment, and financial hardship. In view to amicably and expeditiously settle the matter, two months' salary has already been credited to the complainant through his lawyer at the first date of the hearing itself. The case is still pending.
2. Rajiv Kumar was a software design engineer primarily engaged in intellectual and computer desk work, creating 3D models and drawings for clients. He met with a fatal accident while riding his motorcycle and died. On a claim made by Tribhuvan Prasad, Rajiv Kumar's father, the Employee's Compensation Commissioner/Assistant Labour Commissioner, Gautam Budh Nagar made on November 29, 2023 an ex-parte award of compensation amounting to Rs. 16.39 Lakhs along with 14% interest from the incident date of October 21, 2020. Additionally, Rs. 0.025 Lakhs was granted as litigation cost to Tribhuvan Prasad. Our Company applied under Order 9, Section 13, read with Section 151, CPC for setting aside the ex-parte award, claiming that the non-appearance of the applicant was unintentional and solely due to the negligence of the advocate. However, the Asstt. Labour Commissioner rejected the said recall application vide order dated January 30, 2024. Our Company has filed a First Appeal from Order (FAFO) numbering 532/2024 in the High Court of Judicature, Allahabad on February 22, 2024 against the order. The Appeal has been filed on the ground that the order dated January 30, 2024 was passed without considering the recall application and submissions made by the appellant, the order was unreasoned and based on the assumption that the previous order was passed after due appreciation of evidence and that the appellant did not receive any summons, leading to a denial of the opportunity for a fair hearing. The appellant further contested the classification of the deceased as an employee under the Employee's Compensation Act 1923, citing the specific job role and duties of Rajiv Kumar and that the accident did not occur in the course of his employment, thus questioning the liability of the Company under the Employee's Compensation Act 1923. Matter is still pending in the Court.

f) **Other pending material litigations filed by the Company**

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations against the Company.

B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

a) **Criminal proceedings against the Promoters & Directors of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the Company.

b) Criminal proceedings filed by the Promoters & Directors of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed by the Directors of the Company.

c) Actions by statutory and regulatory authorities against the Promoters & Directors of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors.

d) Tax Proceedings

Tax Proceedings	Number of cases	Amount involved (₹ in lakhs)	Status
Promoters and Directors:			
Direct Tax			
Sudhanshu Surana (Income Tax - Outstanding Demand)	1	0.46	Outstanding Demand under section 143(1) of Income Tax Act, 1961 for the Assessment Year 2009-10.
Pratechi Agarwal (Income Tax e-Proceedings)	1	Amount Unascertainable	Our director has received a notice u/s 143 (1)(a) of the Income Tax Act, 1961 for AY 2019-2020 for proposed adjustment to total income amounting to Rs. 31.06 Lakhs.
Indirect Tax			
	Nil	Nil	
Total	2	0.46	

e) Other pending material litigations against the Promoters & Directors of the Company

As on the date of this Draft Red Herring Prospectus, there are no such outstanding litigations against the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

f) Other pending material litigations filed by the Promoters & Directors of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

C. LITIGATIONS INVOLVING THE GROUP COMPANIES**a) Criminal proceedings against the Group Companies of the Company**

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings against Group Companies of the Company.

b) Criminal proceedings filed by the Group Companies of the Company

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings filed by our Group Companies of the Company.

c) Actions by statutory and regulatory authorities against the Group Companies of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our Group Companies of the Company.

d) Tax Proceedings

Tax Proceedings	Number of cases	Amount involved (₹ in lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

e) Other pending material litigations against the Group Companies of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation against our Group Companies of the Company.

f) Other pending material litigations filed by the Group Companies of the Company**Sphinx Worldbiz GmbH:**

Our Group Company, Sphinx Worldbiz GmbH, a technology and software company based in Frankfurt, Germany, entered into three software development agreements with Vinivia AG, a Swiss corporation based in Zug. The agreements involved providing software developers, mainly from India, for specific tasks with hourly rates specified in individual agreements. The development work was managed through the “JIRA” (Project Management Tool) and other management tools. Sphinx Worldbiz GmbH invoiced Vinivia AG monthly for the services provided. While Vinivia AG paid invoices up to a certain point, they stopped paying for services rendered from November 2022 onwards, citing bank errors as the reason for non-payment. Despite promises and acknowledgments of the invoices through emails and WhatsApp messages, Vinivia AG failed to make the payments.

In January 2023, Sphinx Worldbiz GmbH contacted Vinivia AG regarding the outstanding payments, with Vinivia AG again attributing the delays to bank errors. However, on March 3, 2023, Vinivia AG abruptly terminated Sphinx Worldbiz GmbH's access to the “JIRA” management tool without notice, hindering further communication and work delivery. Efforts to resolve the payment issues, including a failed “debt enforcement procedure” in Switzerland, led Sphinx Worldbiz GmbH to file lawsuit no.3-08 0 39/23 before Hon'ble Landgericht Frankfurt am Main, Germany, against Vinivia AG, seeking compensation of EUR 360,294 plus interest (converted to INR 3,33,95,650.86 @ Rs.92.69 per EUR as on September 10, 2024). The legal claim is based on the software development agreements and the acknowledgment of invoices by Vinivia AG through various communications. The case is being handled by DENK Rechtsanwälte, a law firm based in Frankfurt, representing Sphinx Worldbiz GmbH in the legal proceedings. The claim has been settled. Vinivia has agreed to pay EUR 260,000.00 in seven monthly installments.

D. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 5% of our Company’s trade payables as per the last Restated financial statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Financial Statements, the trade payables of our Company as on March 31, 2024 were Rs. 310.40 lakhs. Accordingly, a creditor has been considered ‘material’ if the amount due to such creditor exceeds Rs. 15.52 lakhs as on March 31, 2024. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on July 03, 2024. As on March 31, 2024, there are 04 creditors to each of whom our Company owes amounts exceeding 5.00% of our Company’s total trade payables and the aggregate outstanding dues to them being approximately Rs. 211.67 lakhs.

As per the above materiality policy, the outstanding amount owned to small scale undertakings and material creditors as on March 31, 2024, by our Company is as follows:

						Rs. in Lakhs
Type of Creditors	Number of Creditors	Total Amount Outstanding	No of Material Creditors	Amount of Material Creditors	No of Other Creditors	Amount of Other Creditors
Micro, small and medium enterprises	13	59.13	01	46.61	12	12.52
Other Creditors	80	251.27	03	165.06	77	86.21
Total	93	310.40	04	211.67	89	98.73

**Entities that are identified as "Micro, Small and Medium Enterprises" under the Restated Financial Statements are considered as micro small and medium enterprises.*

The details pertaining to amounts due towards material creditors are available on the website of our Company

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page 206 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.

In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses / registrations / approvals /consents / permissions from the Government and various other Government agencies required for its present business.

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled '**Key Industry Regulations and Policies**' on page 125 of this Draft Red Herring Prospectus.*

I. Approvals for the Issue:

The following approvals have been obtained or will be obtained in connection with the Issue

Corporate Approvals:

- a. The Board of Directors has, pursuant to a resolution dated July 03, 2024 under Section 62(1)(c) of the Companies Act, 2013 passed at its meeting held on authorized the Issue, subject to the approval of the shareholders of the Company and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a resolution passed in Extraordinary General Meeting held on July 29, 2024 authorized the Issue under Section 62(1)(c) of the Companies Act, 2013.
- c. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated September 30, 2024.

Approval from the Stock Exchange:

- a. In-principle approval dated [●] from the NSE for listing of the Equity Shares on NSE Emerge Platform issued by our Company pursuant to the Issue.

Agreements with NSDL and CDSL:

- a. The Company has entered into a Tripartite agreement dated June 26, 2024 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited for the dematerialization of its shares.
- b. Similarly, the Company has also entered into a Tripartite agreement dated May 07, 2024 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited for the dematerialization of its shares.
- c. The Company's International Securities Identification Number ("ISIN") is INE0AZP01015.

II. Incorporation related Approvals:

Sr. No.	Nature of Registration/ License	Registration No./CIN	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation	U74899DL1996PLC075839 (55-75839)	Companies Act, 1956	Additional Registrar of Companies, NCT of Delhi and Haryana	January 29, 1996	Valid until cancelled
2.	Certificate of Commencement of Business	U74899DL1996PLC075839 (55-75839)	Companies Act, 1956	Assistant Registrar of Companies, NCT of Delhi and Haryana	February 28, 1996	Valid until cancelled

III. Tax Related Approvals:

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue/Renewal	Date of Expiry
1.	Permanent Account Number (PAN)	AABCS7321Q	Income Tax Act, 1961	Income Tax Department, Government of India	January 29, 1996	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	DELS15246A	Income Tax Act, 1961	Income Tax Department, Government of India	.*	Valid until cancelled
3.	Certificate of Registration of Goods and Services Tax (UP)	09AABCS7321Q1ZU	The UP Goods and Services Tax Act, 2017	Deptt. of Trade and Taxes Noida	October 25, 2018 with effect from July 01, 2017	Valid until cancelled
4.	Profession Tax Registration Certificate	27905283722P	Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	Maharashtra Sales Tax Department	May 29, 2014	Valid until cancelled
5.	Profession Tax Enrolment Certificate	99872171615P	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Maharashtra Sales Tax Department	January 01, 2014	Valid until cancelled

* Certificate in relation TAN is not traceble.

IV. Business Operations Related Approvals:

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue/Renewal	Date of Expiry
1.	Udyam Registration Certificate (Micro Enterprise)	UDYAM-UP-28-0006808	MSME Development Act, 2006	Ministry of Micro Small & Medium Enterprises, Government of India	October 28, 2020	Valid until cancelled

2.	Certificate of Importer- Exporter Code (IEC)	0596008759	Foreign Trade (Development and Regulation) Act, 1992	Ministry of Commerce & Industry, Office of Additional Director General of Foreign Trade	May 16, 1996	Valid until cancelled
3.	Legal Entity Identifier Certification	254900HQ9KFQINZ C1M70	RBI Guidelines	RBI	December 13, 2018	June 18, 2025

V. Labour Law Related Approvals:


Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
1.	Registration under Employees' Provident Funds (Uttar Pradesh)	UP/48759	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	Issued on January 01, 2010 with effect from December 01, 2009	Valid until cancelled
2.	Registration under Employees' state Insurance	67000402980001001	Employees' state Insurance Act, 1948	Employees' State Insurance Corporation	April 07, 2011	Valid until cancelled
3.	Shops & Establishments Registration (Registered Office)	2024134906	Delhi Shops & Commercial Establishments Act, 1954	Department of Labour, Government of National Capital Territory of Delhi	June 20, 2024	Valid until cancelled
4.	Shops & Establishments Registration (Corporate Office)	UPSA10732521	UP Shops & Commercial Establishments Act, 1962	Chief Inspector of Shop and Commercial Establishment, UP	February 12, 2024	Valid until cancelled
5.	Shops & Establishments Registration (Branch I)	2431000318967168	Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017	Deputy Commissioner of Labour, Pune	June 25, 2024	Valid until cancelled
6.	Shops & Establishments Registration (Branch III)	PSA/REF/GGN/LI-GGN-10/0338224	Punjab Shops and Commercial Establishment Act, 1958	Labour Department, Government of Haryana	June 25, 2024	Valid until cancelled
7.	Shops & Establishments Registration (Branch IV)	UPSA10733931	UP Shops & Commercial Establishments Act, 1962	Chief Inspector of Shop and Commercial	June 24, 2024	Valid until cancelled

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
				Establishment, UP		
8.	License to work as Contractor to use Contract Labour	CLC/2022/14/1327 66	Contract Labour (Regulation & Abolition) Act, 1970	Department of Labour, Govt. of Rajasthan	February 15, 2024	December 31, 2024
9	Labour Identification Number (LIN)	1-1339-9115-5	Various Labour Laws	Ministry of Labour and Employment	Verified from Shram Suvidha Portal	Valid until cancelled

VI. Quality Certifications:

Sr. No.	Description	Registration number	Authority	Date of Certificate	Date of Expiry
1.	Certificate for Quality Management System of the Company under ISO 9001:2015 with the following scope: Design, Engineering Services & Software Development Services excluding Space, Nuclear and Oil and Gas Sector.	9910019947	TUV SUD South Asia Private Limited	February 21, 2022	February 20, 2025

VII. Intellectual property related approvals:

S. No.	Brand name/ Logo Trademark	Classes	TM Category	Owner	Certificate/Application No. & Date	Issuing Authority	Status
1.		42	Trade Mark	Sphinx Worldbiz Limited	Application No. 6444549 May 22, 2024	Registrar of Trademark	Formalities Chk Pass

VIII. Licenses/ Approvals are yet to be applied by Company: Nil**IX. Licenses/ Approvals for which applications have been made by our Company and are pending:**

- a. Renewal of Certificate of Information Security Management System in Accordance with ISO/IEC 27001:2013 for the scope: Design, Engineering Services & Software Development Services with support functions.
- b. We have made application dated May 22, 2024 for  SPHINX WORLDBIZ LIMITED as trademark in class 42 Application number for the same is 6444549 current status for this application is “Not registered (Formalities Chk Pass)”.

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, 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 stub period (if any) and other Company as considered material by our Board. Further, pursuant to a resolution of our Board dated July 03, 2024 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 fulfills both the below mentioned conditions: -

- a. the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (“**Restated Financial Statements**”); or
- b. if such company fulfills both the below mentioned conditions: -
 - i. Such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI(ICDR) Regulations; and
 - ii. The Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the Company as per Restated Financial Statements.

Except as stated, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company/entity (“**Group Companies**”).

1. Shrmpro Private Limited
2. Sphinx Worldbiz GMBH

Details of our Group Companies:

Indian Group Company

1. Shrmpro Private Limited

Shrmpro Private Limited was incorporated on September 21, 2021 under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre. The company engages in software development, data management, and communication network services, professional consulting and trading in software.

CIN	U72900UP2021PTC152539
PAN	ABGCS8912D
Registered Office	A 27 B, Sector 16, Gautam Buddha Nagar, Noida, 201301, Uttar Pradesh, India.

Shareholding pattern

Sr. No.	Name of the Holder	No. of Shares	% Holding
1.	Avishkar Surana	5000	50.00%
2.	Sudhanshu Surana	5000	50.00%

Foreign Group Company

2. Sphinx Worldbiz GMBH

The Company was incorporated as Sphinx Worldbiz UG (haftungsbeschränkt) on 11 December 2017. It was registered in the commercial register of the lower court of Frankfurt am Main under HRB 111380 on 28/03/2018. Together with a capital increase in 2020, the name was changed to Sphinx Worldbiz GmbH. On 12 February 2024 the registered seat of the Company was moved to Rüsselsheim, as a result of which the registration was moved to the local court of Darmstadt, where the Company is now registered under HRB 106164. The Company's registered office is situated at Eisenstr. 51, 65428 Rüsselsheim and is validly existing and in good standing under the laws of Germany. It Provides design and product development services for the mechanical engineering industry.

Company Number	HRB 106164
Registered Office	Eisenstr. 51, 65428 Rüsselsheim, Germany

Shareholding pattern

Sr. No.	Name of the Holder	Share Capital	% Holding
1.	Avishkar Surana	EUR 25000	100%

Financial Information

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, basis/diluted earnings per share and Net Asset Value, derived from the latest audited financial statements of our Group Companies are available on the website of our company at www.sphinxworldbiz.com

It is clarified that such details available on our group companies' websites do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Group Companies' website, as mentioned above, would be doing so at their own risk.

Other Confirmations:

- a) None of our Group Companies has made any public and/or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Companies is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- c) None of the above-mentioned Group Companies is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up/insolvency proceedings.
- d) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Common pursuits among Group Company

Our Group Company, Sphinx Worldbiz GMBH is involved in ventures which are in the similar line of business as of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Companies and in circumstances where our respective interests diverge.

Nature and extent of interest of our Group Companies

a) Interest in the promotion of our Companies

None of our Group Companies has any interest in the promotion of our Company.

b) Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Related business transactions and their significance on the financial performance of our Company

Other than the transactions disclosed in the section "*Other Financial Information –Related Party Transactions*" on page 201, there are no related business transactions between the Group Companies and our Company.

Business interest of our Group Company in our Company

Except as disclosed in the section "*Other Financial Information –Related Party Transactions*" on page 201, our Group Company has no business interests in our Company.

Litigations

Except as disclosed in the section “*Outstanding litigations and material developments*” on page 215 of this Draft Red Herring Prospectus. Our Group Companies is not party to any litigation which may have material impact on our Company.

Undertaking / Confirmations by our Group Companies

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies /Promoter Group entities have been declared as a willful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entity they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI (ICDR) Regulations with regards to the Group Company, are also available on the website of our company i.e. www.sphinxworldbiz.com

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

The Board of Directors has, pursuant to a resolution passed at its meeting held on July 03, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in Extra Ordinary General Meeting held on July 29, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

In-principal Approval

Our Company has received an In-Principle Approval letter dated [●] from NSE for using its name in this Draft Red Herring Prospectus for listing our shares on the SME Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

Prohibition by SEBI or Governmental Authorities

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as willful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are /were associated as promoter, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- 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 Promoter or Director.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

Prohibition by RBI

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 215 of this Draft Red Herring Prospectus.

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

Prohibition by Securities Market Regulators:

Our Company, our Promoters, our Directors and our Promoter’s Group, person(s) in control of the promoters or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

Prohibition with respect to wilful defaulter or a fraudulent borrower

Neither our Company, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as wilful defaulter or a fraudulent borrower as defined by the SEBI (ICDR) Regulations, 2018.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoter and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Red Herring Prospectus.

Confirmations

- i. Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- ii. Neither our promoters, nor any directors of our company are a promoter or director of any other company which is debarred from accessing the capital market by the Board
- iii. Neither our Company, nor our Promoters or our directors, is a Wilful Defaulter or a fraudulent borrower.
- iv. Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Issue 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 ten 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 “SME Platform of NSE (“NSE Emerge”)}

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that 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 – Underwriting**” beginning on page 66 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (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 eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act, 2013.
3. 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 Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE (“NSE Emerge”). For further details of the arrangement of market making please refer to section titled “**General Information- Details of the Market Making Arrangements for this Issue**” beginning on page 67 of this Draft Red Herring Prospectus.

5. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoter or directors is a wilful defaulter or a fraudulent borrower.
6. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoter or directors is a fugitive economic offender.
7. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of NSE ("NSE **Emerge**") is the Designated Stock Exchange.
8. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
9. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
10. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated June 26, 2024 and National Securities Depository Limited (NSDL) dated May 07, 2024 for dematerialization of its Equity Shares already issued and proposed to be issued.
2. Our Company has a website i.e. www.sphinxworldbiz.com
3. The Equity Shares of our Company held by our Promoters are in dematerialised form; and
4. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.
5. There has been no change in the promoter(s) having significant change in control over the affairs of the Company in the one year preceding the date of filing application to SME Platform of NSE.

Our Company also complies with the eligibility conditions laid by the SME Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for SME Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder;

- 1) Our Company was originally incorporated as "Sphinx Worldbiz Limited" a Public limited company under the Companies Act, 1956 at Delhi, pursuant to a certificate of incorporation dated January 29, 1996 issued by the Additional Registrar of Companies, National Capital Territory of Delhi & Haryana. We commenced commercial operations pursuant to a Certificate for Commencement of Business dated February 28, 1996 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Our Company's Corporate Identity Number is U74899DL1996PLC075839.
- 2) As on the date of this Draft Red Herring Prospectus, the Company has a Paid-up Capital of ₹ 1,556.32 Lakhs comprising 1,55,63,240 Equity shares and the Post Issue Paid up Capital (face value) of the company will be ₹ [●] Lakh comprising [●] Equity Shares, which is less than ₹25 Crores.
- 3) Our Company has track record of more than three years as on date of filing of this Draft Red Herring Prospectus.
- 4) The Company confirms that it 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 for financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 is positive.

(Amount in Rs. Lakhs)

Particulars	As at and for the year ended		
	31-Mar-24	31-Mar-23	31-Mar-22
Net worth	2814.73	2082.71	1443.27
Operating Profit (EBITDA)	626.03	758.48	442.50

- 5) The company has positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.

(Amount in Rs. Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net cash flow from operations-(A)	426.67	271.92	380.18
Purchase of Fixed Assets-(B)	(733.84)	(155.57)	(133.78)
Proceeds from Borrowings-(C)	381.47	5.17	190.64
Repayment of borrowings-(D)	-	(193.06)	(284.65)
Post tax Interest expenses-(E)	(43.54)	(21.30)	(43.89)
Free Cash Flow to equity (A+B+C+D+E)	30.76	-92.84	108.5

- 6) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter, Group Companies, companies promoted by the promoter of the Company;
- 7) The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- 8) Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
- 9) None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
- 10) There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction or a liquidator has not been appointed.
- 11) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company
- 12) 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 five years
- 13) We confirm that:
- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company.
 - There is no default in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.
 - There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies) except as stated in the section titled **“Outstanding Litigation and Material Developments”** beginning on page 215 of this Draft Red Herring Prospectus.
 - There are no criminal cases/investigation/offences filed against the director of the company with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences, except as stated in the section titled **“Outstanding Litigation and Material Developments”** beginning on page 215 of this Draft Red Herring Prospectus.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of NSE.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING 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 THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES 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, HEM SECURITIES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR 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 DRAFT OFFER DOCUMENT/ OFFER DOCUMENT.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus/ Prospectus with the Registrar of Companies, Delhi in terms of sections 26, 30, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
Mainboard IPO's								
1.	Manba Finance Limited	150.84	120.00	September 30, 2024	145.00	N.A.	N.A.	N.A.
SME IPO's								
1.	Ganesh Green Bharat Limited	125.23	190.00	July 12, 2024	361.00	149.42% [-0.63%]	N.A.	N.A.
2.	Chetana Education Limited	45.90	85.00	July 31, 2024	98.90	-0.88% [1.14%]	N.A.	N.A.

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
3.	Aprameya Engineering Limited	29.23	58.00	August 01, 2024	72.00	17.24% [1.31%]	N.A.	N.A.
4.	Sunlite Recycling Industries Limited	30.24	105.00	August 20, 2024	199.50	49.57% [2.90%]	N.A.	N.A.
5.	Aeron Composite Limited	56.10	125.00	September 04, 2024	150.00	N.A.	N.A.	N.A.
6.	Namo eWaste Management Limited	51.20	85.00	September 11, 2024	161.50	N.A.	N.A.	N.A.
7.	My Mudra Fincorp Limited	33.60	110.00	September 12, 2024	130.00	N.A.	N.A.	N.A.
8.	Vision Infra Equipment Solutions Limited	106.21	163.00	September 13, 2024	205.00	N.A.	N.A.	N.A.
9.	Shubhshree Biofuels Energy Limited	16.56	119.00	September 16, 2024	189.00	N.A.	N.A.	N.A.
10.	WOL 3D India Limited	25.56	150.00	September 30, 2024	180.05	N.A.	N.A.	N.A.

Source: Price Information www.bseindia.com & www.nseindia.com, Issue Information from respective Prospectus.

- 1) The scrip of Ganesh Green Bharat Limited, Chetana Education Limited, Aprameya Engineering Limited and Sunlite Recycling Industries Limited have not completed its 90th day from the date of listing and Aeron Composite Limited, Namu eWaste Management Limited, My Mudra Fincorp Limited, Vision Infra Equipment Solutions Limited, Shubhshree Biofuels Energy Limited, WOL 3D India Limited and Manba Finance Limited have not completed its 30th day from the date of listing.

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at Premium- 30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th 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%
2022-23	15 ⁽¹⁾	220.57	-	-	-	6	6	3	-	-	-	12	-	3
2023-24	21 ⁽²⁾	680.45	-	-	1	12	5	3	-	-	2	12	5	2
2024-25	20 ⁽³⁾	1,017.68	-	-	1	6	2	4	-	-	-	-	-	-

- 1) The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023;

- 2) *The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023; Kahan Packaging Limited was listed on September 15, 2023; Madhusudan Masala Limited was listed on September 26, 2023; Saakshi Medtech And Panels Limited was listed on October 03, 2023; Arabian Petroleum Limited was listed on October 09, 2023, E Factor Experiences Limited was listed on October 09, 2023, Paragon Fine and Speciality Chemical Limited was listed on November 03, 2023, Deepak Chemtex Limited was listed on December 06, 2023, S J Logistics (India) Limited was listed on December 19, 2023, Siyaram Recycling Industries Limited was listed on December 21, 2023, Shanti Spintex Limited was listed on December 27, 2023, Shri Balaji Valve Components Limited was listed on January 03, 2024, New Swan Multitech Limited was listed on January 18, 2024, Harshdeep Hortico Limited was listed on February 05, 2024, Megatherm Induction Limited was listed on February 05, 2024, Sona Machinery Limited was listed on March 13, 2024 and Enfuse Solutions Limited was listed on March 22, 2024;*
- 3) *The scrip of Aspire & Innovative Advertising Limited was listed on April 03, 2024, Blue Pebble Limited was listed on April 03, 2024, Amkay Products Limited was listed on May 08, 2024, TGIF Agribusiness Limited was listed on May 15, 2024, Energy-Mission Machinerics (India) Limited was listed on May 16, 2024, Aztec Fluids & Machinery Limited was listed on May 17, 2024, Premier Roadlines Limited was listed on May 17, 2024, Vilas Transcore Limited was listed on June 03, 2024, Aimtron Electronics Limited was listed on June 06, 2024; Ganesh Green Bharat Limited was listed on July 12, 2024; Chetana Education Limited was listed on July 31, 2024, Aprameya Engineering Limited was listed on August 01, 2024, Sunlite Recycling Industries Limited was listed on August 20, 2024, Aeron Composite Limited was listed on September 04, 2024, Namu eWaste Management Limited was listed on September 11, 2024, My Mudra Fincorp Limited was listed on September 12, 2024, Vision Infra Equipment Solutions Limited was listed on September 13, 2024, Shubhshree Biofuels Energy Limited was listed on September 16, 2024, WOL 3D India Limited was listed on September 30, 2024 and Manba Finance Limited was listed on September 30, 2024.*

Note:

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30th/90th/180th day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings) managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

Track Record of past issues handled by Hem Securities 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 www.hemsecurities.com.

Disclaimer from our Company, our Directors 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 Draft Red Herring Prospectus or, in case of the Company, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Agreement entered between the Book Running Lead Manager, and our Company on September 19, 2024 and the Underwriting Agreement dated [●] entered into between the Underwriter, and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company, and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary

course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, 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 offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the 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.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft 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 Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Delhi 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. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft 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 Draft 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.

Disclaimer Clause of the SME Platform of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter [●], permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of 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 (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any offshore 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 of Offer Document with the Designated Stock Exchange/SEBI/ROC

The Draft Red Herring Prospectus is being filed with Emerge Platform of 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, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of 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, along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>.

Listing

Application is to be made to the SME Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the SME Platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of the Draft 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 mentioned above are taken within Three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Three (3) 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-

- i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. 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
- iii. 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 Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Chief Executive Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker to the Company, Book Running Lead Manager, Registrar to the Issue, Legal Advisor to the Issue, Banker to the Issue/ Sponsor Bank*, Syndicate Members*, Underwriter to the Issue* and Market Maker to the Issue* to act in their respective capacities have been obtained as required under section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Red Herring Prospectus/ Prospectus for filing with the RoC.

*To be obtained prior to the filing of the Red Herring Prospectus with RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. MANV & Associates., Chartered Accountants (FRN:007351N) Statutory Auditors and M/s. S.R. Goyal & Co., Chartered Accountants (FRN: 001537C) Peer Review Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Red Herring Prospectus / Red Herring Prospectus /Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of filing of the Red Herring Prospectus/ Prospectus for filing with the RoC.

Experts Opinion

Except for the reports in the section *“Statement of Special Tax Benefits”*, *“Financial Information of the Company”* *“Statement of Financial Indebtedness”* on page 100, 156 and 202 respectively of this Draft Red Herring Prospectus from the Peer Review Auditor, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditor for inclusion of their name in this Draft Red Herring Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as “Expert”, defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term **“expert”** shall not be construed to mean an **“expert”** as defined under the U.S. Securities Act, 1933.

Fees, Brokerage and Selling Commission payable

The total fees payable to the Book Running Lead Manager will be as per the (i) Issue Agreement dated September 19, 2024 with the Book Running Lead Manager, (ii) the Underwriting Agreement dated [●] with the Underwriter and (iii) the Market Making Agreement [●] with the Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 AM to 5.00 PM on Working Days from the date of the Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated September 23, 2024, a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to the section titled “*Capital Structure*” beginning on page 70 of this Draft Red Herring Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Previous capital issue during the last three years by listed Group Companies of our Company

We do not have any Group Company.

Performance vis-à-vis objects

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.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

Option to Subscribe

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in Demat segment 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:

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances. The Registrar Agreement provides for the retention of records with the

Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, 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/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for nonallotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Red Herring Prospectus.

Disposal of Investor Grievances by our Company:

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. 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 seven (7) business

days 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.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Book Running Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI (ICDR) Regulations.

Our Company will obtain authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI Circular (CIR/OIAE/1/2014) dated December 18, 2014, and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 in relation to redressal of investor grievances through 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

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on July 03, 2024. For further details, please refer to section titled "**Our Management**" beginning on page 137 of this Draft Red Herring Prospectus.

Our Company has also appointed Aditya Kumar Sethi as the Company Secretary and Compliance Officer of our company, for this Issue he may be contacted in case of any pre-issue or post-issue related problems at the following address:

Aditya Kumar Sethi

Company Secretary & Compliance Officer

Sphinx Worldbiz Limited

A-27B, Sector-16, Gautam Buddha Nagar, Noida, 201301, Uttar Pradesh, India.

Tel. No.: 0120-4736400

Email: cs@sphinxworldbiz.com

Website: www.sphinxworldbiz.com

Till date of this Draft Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft 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.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "**Statement of Special Tax Benefits**" beginning on page 100 of this Draft Red Herring Prospectus.

Purchase of Property

Other than as disclosed in Section "**Our Business**" beginning on page 112 of this Draft 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 Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft 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.

Capitalization of Reserves or Profits

Save and except as stated in “*Capital Structure*” on page 70 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation of assets

There has not been any revaluation of assets since incorporation of the Company.

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 chapter titled “*Our Management*” beginning on page 137 and chapter “*Financial Information*” beginning on page 156 of this Draft 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

As on date of the Draft Red Herring Prospectus, Our Company has not applied or received any exemption from complying with any provisions of securities laws granted by SEBI.

SECTION VIII: ISSUE RELATED 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 Draft 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 (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.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization 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 55,68,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 03, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on July 29, 2024 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 283 of this Draft 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 Obligations and Disclosure Requirements) Regulations, 2015 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 155 and 283 respectively of this Draft Red Herring Prospectus.

Face Value and Issue Price

The face value of each Equity Share is ₹10.00 and the Issue Price at the lower end of the Price Band is ₹[●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹[●] per Equity Share (“Cap Price”). The Anchor Investor Issue Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the Book Running

Lead Manager, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Delhi edition of [●], a regional newspaper each with wide circulation 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. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI (ICDR) Regulations, 2018

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;
- 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 Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled “*Main Provisions of the Articles of Association of our company*” beginning on page 283 of this Draft Red Herring Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per regulations made under and 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 issued can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Issue.

- Tripartite Agreement dated June 26, 2024 between CDSL, Our Company and Registrar to the Issue; and
- Tripartite Agreement dated May 07, 2024 between NSDL, Our Company and Registrar to the Issue;

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE (Emerge platform of NSE) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant

to this Issue and the monies collected shall be unblocked forthwith.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Delhi.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- 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.

Issue Program

Event	Indicative Date
Bid/Issue Opened Date ¹	[●]
Bid/Issue Closed Date ²	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	On or about [●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or about [●]

The above time table is indicative and does not constitute any obligation on our Company. 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 NSE is taken within Three Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company 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.

Note ¹Our 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) Regulations⁷

²Our Company, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations.

*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, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. 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. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

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 three 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 Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Bid/ Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and NSE 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:

- (i) 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.

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 Draft 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 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 three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 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 one working day, 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, 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 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 eight 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.

In terms of Regulation 272(2) of SEBI (ICDR) Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

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, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled "**General Information - Underwriting**" on page 66 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹25 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 fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, 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 NSE (Emerge platform of NSE), 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 Emerge 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 - Details of the Market Making Arrangements for this Issue**” on page 67 of this Draft Red Herring Prospectus.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of National Stock Exchange of India Limited.

As per the extant 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 Promoter minimum contribution in the Issue as detailed under section titled "*Capital Structure*" beginning on page 70 of this Draft 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 of our company*" beginning on page 283 of this Draft Red Herring Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus/ 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 Draft 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, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than or equal to 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. Emerge platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 240 and 251 of this Draft Red Herring Prospectus.

Issue Structure:

Initial Public Issue of upto 55,68,000 Equity Shares of ₹10 each (the “**Equity Shares**”) for cash at a price of ₹[●] per Equity Share (including a Share Premium of ₹[●]per Equity Share), aggregating up to ₹[●] Lakhs (“**the Issue**”) by the issuer Company (the “**Company**”). The Issue comprises a reservation of [●] Equity Shares of face value of ₹10.00/- each for cash at a price of ₹[●] per equity share including a share premium of ₹[●] per equity share aggregating to ₹[●] Lakhs will be reserved for subscription by Market Maker to the issue (the “**Market Maker Reservation Portion**”).

The Issue less the Market Maker Reservation Portion i.e., Net Issue to Public of [●] Equity Shares of face value of ₹10.00/- each at a price of ₹[●] per equity share including a share premium of ₹[●] per equity share aggregating to ₹[●] lakhs (“**the Net Issue**”). The Issue and the Net Issue will constitute 26.35% and [●]%, 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 ⁽²⁾	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	Upto [●] Equity Shares	Not more than [●] Equity Shares*	Not less than [●] Equity Shares*	Not less than [●] Equity Shares*
Percentage of Issue Size available for allocation	[●] of the Issue Size	Not more than 50% of the Net Issue	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment ⁽³⁾	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid	Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB 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 “ <i>Issue Procedure</i> ” beginning on page 251 of this Draft Red Herring Prospectus.	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, 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 “ <i>Issue Procedure</i> ” beginning on page 251 of this Draft Red Herring Prospectus.

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
		received from Mutual Funds at or above the Anchor Investor Allocation Price		
Mode of Allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] 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 [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of Payment	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 ⁽⁴⁾			
Mode of Bid	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process via Banks or by using UPI ID for payment

* Subject to finalization of basis of allotment.

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

- (1) 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 price Anchor Investor Allocation Price.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 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, undersubscription, 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 Manager 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 Bid-cum-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 - Bids by FPIs**” on pages 251 and having same 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) filing of the Red Herring Prospectus/ Prospectus with ROC.

Issue Program

Event	Indicative Dates
Bid/Issue Opening Date ¹	[•]
Bid/Issue Closing Date ²	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	[•]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	[•]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	[•]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	[•]

Note ¹Our 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

²Our Company, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations.

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Bid-Cum Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.

- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by 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 applicant, the details as per physical Bid-Cum application form of that Applicant 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 bank holidays).

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI 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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, 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.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (**“UPI Phase II”**), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (**“UPI Phase III”**), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Draft Offer Document/ Offer Document. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited (**“NSE EMERGE”**) to act as intermediaries for submitting Application Forms are provided on www1.nseindia.com/emerge For details on their designated branches for submitting

Application Forms, please see the above-mentioned website of Platform of National Stock Exchange of India Limited (“NSE EMERGE”).

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 Prospectus. Applicants 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 the Draft Offer Document/ Offer Document.

Further, the Company and the BRLM are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Issue.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated 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. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the 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, 2018, the Issue is being made for at least 25% of the post-Issue Paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(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 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 Investors 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, undersubscription, 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 spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized 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 Offer, 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 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 Offer 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 III 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 Offer 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**	[•]
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	[•]
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	[•]

*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 Draft 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:

For Applications submitted by Investors to SCSB	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.
For applications submitted by investors to intermediaries other than SCSBs	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.
For applications submitted by investors to 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. 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 Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Draft 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 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 Draft 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 Kartal. 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 FIIIs 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

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 [●] Equity Shares and in multiples of [●] 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 [●] 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 Draft 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 Draft 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 will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Delhi Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date. 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 three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 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 [●], all editions of Hindi national newspaper [●] and Delhi Edition of Regional newspaper [●] 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 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 “Buildup 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 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. 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 251 of this Draft 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 finalization 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 Syndicate. 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 Syndicate Members

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 Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Red Herring Prospectus to be file 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) days before the Bid/ Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge 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 Draft 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 undersubscription 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) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open 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 ₹ 100.00 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 ([●] in colour).
- Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] 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 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 SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI 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 SEBI 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 SEBI 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 SEBI 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 Draft 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 Draft 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 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 Draft 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 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 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 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 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 Investors 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: [●]
- b) In case of Non-Resident Anchor Investors: [●]

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 5.00 p.m. of 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
 - (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 offer 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 Draft 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 Draft 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 5.00 p.m. on 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 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, 2018 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%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	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 Book Running Lead Manager, 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.

Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC

- a) Our company has entered into an Underwriting Agreement dated [●]
- b) 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 32 of Companies Act, 2013 and Section 26 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 (ICDR) 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/ 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 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 Investor 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 Draft 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, RII 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 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 acknowledgment;
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 IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic

Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

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 Issue;
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.

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 exceed ₹ 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 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 DP.

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 Draft Red Herring Prospectus.

GROUPS 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 Draft 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 Draft 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 Draft Red Herring Prospectus and as per the instructions in the Draft 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 Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft 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. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

Flow of Events from the closure of Bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below.

Process for generating list of Allottees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

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 [●] 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 [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] 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 [●] 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 [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] 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 [●]% of the QIB Portion shall be determined as follows:
- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●]% 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 a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
 - 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, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
 - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.
- 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:

- a) 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).
- b) 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).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] 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 (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) 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 [●] 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 Draft Red Herring Prospectus.

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.

The Executive Director/ Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

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 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within 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 transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 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 BSE i.e. www.bseindia.com and NSE i.e. 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 front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, 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 3 (three) 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 3 (three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2(two) 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 three 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 two 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 no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. 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 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;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. 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, 2015 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:

- Tripartite Agreement dated June 26, 2024 between CDSL, the Company and the Registrar to the Issue;
- Tripartite Agreement dated May 07, 2024 between NSDL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN: INE0AZP01015.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India 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 foreign direct investment policy and transfer does not attract the provisions of the Takeover 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.

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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 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 Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/ restrictions for overseas entities

Under the current FDI Policy 2020, 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 recognised 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 20003/71/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 unauthorized. 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 Draft 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 Draft 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 IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR 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.

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 31, 2024. In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.

INTERPRETATION

- I 1. In these regulations-
 - b. "the Act" means the Companies Act, 2013,
 - c. "the seal" means the common seal of the company.
2. 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.

SHARE CAPITAL AND VARIATION OF RIGHTS

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2.
 - i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within 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.
3.
 - i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
 - ii. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5.
 - 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.
6.
 - i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in 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.
7. 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.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

9.
 - i. The company shall have a first and paramount lien
 - a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
 - ii. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
 - iii. That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.
10. 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-
 - a. unless a sum in respect of which the lien exists is presently payable; or
 - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11.
 - 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.

12.
 - 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.

CALLS ON SHARES

13.
 - i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month 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.
 - iv. That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits
14. 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 installments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. 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.

The Board shall be at liberty to waive payment of any such interest wholly or in part.

17.
 - i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
 - 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.
18. 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.

TRANSFER OF SHARES

19.
 - i. The 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. That a common form of transfer shall be used
- 20.
 - i. The Board may, subject to the right of appeal conferred by section 58 decline to register—
 - ii. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - iii. any transfer of shares on which the company has a lien.
- 21. The Board may decline to recognise any instrument of transfer unless—
 - a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - b. 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
 - c. the instrument of transfer is in respect of only one class of shares.

That registration of 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 Issuer on any account whatsoever

- 22. 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.

TRANSMISSION OF SHARES

- 23.
 - i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares
 - 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.
 - iii. That a common form of transmission shall be used
- 24.
 - 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.
- 25.
 - i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
 - 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.

26. 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.

FORFEITURE OF SHARES

27. 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.
28. The notice aforesaid shall-
- a. 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
 - b. 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.
29. 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.
- 30.
- 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.
- 31.
- i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
 - 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.
- 32.
- 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 favour 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.
33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value

of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution-
- i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and
 - iv. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
 - v. Permission for sub-division/ consolidation of share certificates
36. Where shares are converted into stock, —
- the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
 - Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law-
- its share capital;
 - any capital redemption reserve account; or
 - any share premium account.

CAPITALISATION OF PROFITS

38. The company in general meeting may, upon the recommendation of the Board, resolve-
- i. 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
 - ii. 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.

- iii. 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);
 - iv. 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;
 - v. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- 39.
- 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
 - b. allotments and issues of fully paid shares if any; and
 - c. generally do all acts and things required to give effect thereto.
 - ii. 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;
 - iii. Any agreement made under such authority shall be effective and binding on such members

BUY-BACK OF SHARES

40. 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.

GENERAL MEETINGS

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 42.
- i. The Board may, whenever it thinks fit, call an extraordinary general meeting.
 - ii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

- 43.
- i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
 - ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

47. i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
- i. on a show of hands, every member present in person shall have one vote;
- ii. and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- iii. That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. 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.
52. Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
54. 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.

PROXY

55. 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.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The following are the first Directors of the Company:
1. Mr. Narendra Singh Surana
 2. Mr. Shrivastav Kumar Anil
 3. Mr. Sunil Surana
 4. Mr. Pankaj Surana
 5. Mr. Bimal Pat Surana
 6. Mr. Kishor Nand Gupta
 7. Mr. Kamal Pat Surana
59. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

- in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

65. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
66. i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
68. i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- iii. The Managing Director of the Company may also be appointed as Chairman of the Company by complying with the necessary formalities as may be required by the law for the time being in force.
69. i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. i. A committee may elect a Chairperson of its meetings.
- ii. If no such Chairperson is elected, or if at any meeting the 72 Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. i. A committee may meet and adjourn as it thinks fit.
- ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

74. 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
75. 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

76. i. The Board shall 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 authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78. 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.
79. i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
80. 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. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
82.
 - 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. 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.
84. 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.
85. No dividend shall bear interest against the company.

ACCOUNTS

86.
 - i. 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.
 - ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

87. 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

88. 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.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

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

Material Contracts

1. Issue Agreement dated September 19, 2024 between our Company and the Book Running Lead Manager to the Issue.
2. Registrar Agreement dated September 23, 2024 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated [●] among our Company, the BRLM and Syndicate Member.
7. Tripartite Agreement dated June 26, 2024 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated May 07, 2024 among NDSL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated January 29, 1996 issued by the Additional Registrar of Companies, National Capital Territory of Delhi and Haryana.
3. Copy of Certificate of Commencement of Business dated February 28, 1996 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana.
4. Copy of the Board Resolution dated July 03, 2024 authorizing the Issue and other related matters.
5. Copy of Shareholder's Resolution dated July 29, 2024 authorizing the Issue and other related matters.
6. Copies of Audited Financial Statements of our Company for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022.
7. Peer Review Auditors Report dated September 25, 2024 on the Restated Financial Statements for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.
8. Copy of the Statement of Special Tax Benefits dated September 25, 2024 from the Peer Review auditor.
9. Certificate on Key Performance Indicators (KPI's) issued by Peer Review Auditor dated September 25, 2024
10. Consents of the Book Running Lead Manager to the Issue, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Syndicate Member, Underwriter, Banker to the Issue/ Sponsor Bank, Peer Review Auditor, Statutory Auditor of the Company, Bankers to our Company, Directors, Promoters, Company Secretary and Compliance Officer, Chief Executive Officer and Chief Financial Officer, as referred to, in their respective capacities.
11. Board Resolution dated September 30, 2024 for approval of Draft Red Herring Prospectus and dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
12. Due Diligence Certificate from Book Running Lead Manager dated September 30, 2024.
13. Approval from NSE vide letter dated [●] to use the name of NSE in the Prospectus for listing of Equity Shares on the NSE Emerge (SME Platform) of the National Stock Exchange of India Limited.

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Narendra Singh Surana Chairman & Managing Director DIN: 01470765	Sd/-

Date: September 30, 2024
Place: Noida, Uttar Pradesh

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS & CEO OF OUR COMPANY:

Name and Designation	Signature
Sudhanshu Surana Whole Time Director & CEO DIN: 01820114	Sd/-

Date: September 30, 2024
Place: Noida, Uttar Pradesh

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS & CFO OF OUR COMPANY:

Name and Designation	Signature
Avishkar Surana Whole Time Director & CFO DIN: 07633160	Sd/-

Date: September 30, 2024
Place: Noida, Uttar Pradesh

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Ajay Jain Whole Time Director Din: 02704846	Sd/-

Date: September 30, 2024
Place: Noida, Uttar Pradesh

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Prateechi Agarwal Non-Executive Director DIN: 00188395	Sd/-

Date: September 30, 2024
Place: Noida, Uttar Pradesh

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Deepak Jain Independent Director DIN: 10600972	Sd/-

Date: September 30, 2024
Place: Noida, Uttar Pradesh

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Ved Prakash Yajurvedi Independent Director DIN: 08523448	Sd/-

Date: September 30, 2024
Place: Noida, Uttar Pradesh

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Vivek Kumar Independent Director Din: 00206819	Sd/-

Date: September 30, 2024
Place: Noida, Uttar Pradesh

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

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

Name and Designation	Signature
Aditya Kumar Sethi Company Secretary & Compliance officer M. No.: A43816	Sd/-

Date: September 30, 2024
Place: Noida, Uttar Pradesh