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Draft Prospectus  
Dated: September 30, 2024  
Please read section 26 & 32 of  
The Companies Act, 2013  
This Draft Prospectus will be  
updated upon filing with RoC  
Fixed Price Issue

**NETANALYTIKS TECHNOLOGIES LIMITED**  
(Formerly known as Netanalytiks Technologies Private Limited)  
CIN: U74900KA2015PLC078233

Registered Office	Contact Person	Email and Telephone	Website
91 Springboard Gopala Krishna, Complex No. 45/3 Residency Rd MG Rd, Museum Road, North Bangalore, Karnataka, India, 560025.	<b>Mr. Kodlu Ramakrishna Abhijith</b> Company Secretary & Compliance Officer	<b>Email ID:</b> cs@netanalytiks.com <b>Tel No:</b> +91 9880458806	www.netanalytiks.com

**NAMES OF PROMOTERS OF THE COMPANY**

**Mr. Shankara Anantharamaiah Chilkunda and Mr. Lakshminarayana Ullala**

**DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS**

Type	Fresh Issue Size	OFS Size	Total Issue Size	Eligibility – 229(1) / 229(2) & Share Reservation amount QIB, NII & RII
Fresh Issue	11,23,200 Equity Shares aggregating to ₹ 1,123.20 Lakhs	Nil	<b>11,23,200 Equity Shares aggregating to ₹ 1,123.20 Lakhs</b>	The Issue is being made pursuant to Regulation 229(1) of SEBI ICDR Regulations, as the Company's post issue Paid-up capital would be less than ₹10.00 Crores (Rupees Ten Crores). For more information, please refer section <i>"Issue Structure"</i> beginning on Page 235 of this Draft Prospectus.

OFS: Offer for Sale

**Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders: - NIL -**

**RISKS IN RELATION TO THE FIRST ISSUE** – The face value of the Equity Shares is ₹10/- each. The Issue Price of ₹100/- per equity share (determined and justified by our Company in consultation with the Lead Manager as stated in *"Basis for Issue Price"* on page 76 of this draft prospectus) 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 or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

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 Prospectus. Specific attention of the investors is invited to the section *"Risk Factors"* beginning on page 21 of this Draft Prospectus.


**ISSUER'S ABSOLUTE RESPONSIBILITY**

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


**LISTING**

The Equity Shares Issued through this Draft Prospectus are proposed to be listed on the **SME Platform of BSE Limited ("BSE SME")**. For the purpose of this Issue, **BSE Limited ("BSE")** is the **Designated Stock Exchange**.

**LEAD MANAGER TO THE ISSUE**

Name and Logo	Contact Person	E-mail & Telephone
 <b>FINSHORE</b> Creating Enterprise Managing Values FINSHORE MANAGEMENT SERVICES LIMITED	Mr. S. Ramakrishna Iyengar	<b>Email:</b> info@finshoregroup.com <b>Telephone:</b> 033 2289 5101/4603 2561

**REGISTRAR TO THE ISSUE**

Name and Logo	Contact Person	E-mail & Telephone
 <b>Integrated</b> Corporate Solutions Simplified INTEGRATED REGISTRY MANAGEMENT SERVICES (P) LTD	Mr. S. Giridhar	<b>Email:</b> smeipo@integratedindia.in <b>Telephone:</b> 080-23460815/816/817/818

**ISSUE PROGRAMME**

**ISSUE OPENS ON: [●]**

**ISSUE CLOSES ON: [●]**



Draft Prospectus  
Dated: September 30, 2024  
Please read section 26 & 32 of  
The Companies Act, 2013  
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upon filing with RoC  
Fixed Price Issue

## NETANALYTIKS TECHNOLOGIES LIMITED

(Formerly known as Netanalytiks Technologies Private Limited)

Our Company was originally incorporated as Private Limited Company in the name of “Netanalytiks Technologies Private Limited” on January 12, 2015 under the provision of the Companies Act, 2013 bearing Corporate Identification Number U74900KA2015PTC078233 issued by Registrar of Companies, Bangalore. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to “Netanalytiks Technologies Limited” vide a fresh Certificate of Incorporation dated August 8, 2024 bearing Corporate Identification Number U74900KA2015PLC078233 issued by Central Processing Centre. For further details of change in name and registered office of our company, please refer to section titled “Our History and Certain Corporate Matters” beginning on page no 140 of the Draft Prospectus.

**Registered Office:** 91 Springboard Gopala Krishna, Complex No. 45/3 Residency Rd MG Rd, Museum Road, Bangalore North, Karnataka, India, 560025.

**Contact Person:** Mr. Kodlu Ramakrishna Abhijith, Company Secretary & Compliance Officer; **Tel No:** +91 9880458806,

**E-Mail ID:** cs@netanalytiks.com; **Website:** www.netanalytiks.com; **CIN:** U74900KA2015PLC078233

**OUR PROMOTERS: MR. SHANKARA ANANTHARAMAIAH CHILKUNDA & MR. LAKSHMINARAYANA ULLALA**

### THE ISSUE

INITIAL PUBLIC OFFER OF 11,23,200 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (“EQUITY SHARES”) OF NETANALYTIKS TECHNOLOGIES LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹100/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹90/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ 1,123.20 LAKHS (“THE ISSUE”), OF WHICH 56,400 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹100/- PER EQUITY SHARE, AGGREGATING TO ₹ 56.40 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 10,66,800 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹100/- PER EQUITY SHARE, AGGREGATING TO ₹ 1,066.80 LAKHS IS HERE IN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.99% AND 26.59% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

**THE FACE VALUE OF THE EQUITY SHARE IS ₹10/- EACH AND THE ISSUE PRICE IS ₹ 100/- EACH i.e., 10.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS 1,200 EQUITY SHARES**

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENT) REGULATIONS, 2018 (THE “SEBI ICDR REGULATIONS”) READ WITH RULE 19(2)(b)(i) OF SCRR AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253(2) OF THE SEBI (ICDR) REGULATIONS, 2018. (For further details please see “The Issue” beginning on page no. 45 of this Draft Prospectus.) A copy will be delivered for filing to the Registrar of Companies as required under sub-section 4 of Section 26 of the Companies Act, 2013.

In terms of Regulation 256 of SEBI ICDR Regulations read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (UPI) introduced vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 all the potential investors shall participate in the issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. (For details in this regard, specific attention is invited to “Issue Procedure” beginning on page no. 238 of this Draft Prospectus.)

### RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹10/- each and the issue price is 10 times of face value of the equity share. The issue price should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the equity shares will be traded after listing.

### GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of “Risk factors” beginning on page no. 21 of this Draft Prospectus.

### ISSUER’S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document 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 make this document 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 of our company issued through this Draft Prospectus are proposed to be listed on the **SME Platform of BSE Limited**. In terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our company has received an “in-principal” approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the BSE SME. For the purposes of the issue, the **Designated Stock Exchange** will be **BSE Limited (“BSE”)**.

### LEAD MANAGER TO THE ISSUE

### REGISTRAR TO THE ISSUE

 **FINSHORE**  
Creating Enterprise Managing Values  
**FINSHORE MANAGEMENT SERVICES LIMITED**  
Anandlok Building, Block-A, 2<sup>nd</sup> Floor, Room No. 207,  
227 A.J.C Bose Road, Kolkata-700020, West Bengal, India  
**Telephone:** 033 – 2289 5101 / 4603 2561  
**Email:** info@finshoregroup.com  
**Contact Person:** Mr. S. Ramakrishna Iyengar  
**Website:** www.finshoregroup.com  
**Investor Grievance Email:** investors@finshoregroup.com  
**SEBI Registration No:** INM000012185  
**CIN No:** U74900WB2011PLC169377

 **Integrated**  
Corporate Solutions Simplified  
**INTEGRATED REGISTRY MANAGEMENT SERVICES (P) LIMITED**  
No 30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road,  
Malleswaram, Bengaluru-560003.  
**Telephone:** 080-23460815/816/817/818  
**Email:** smeipo@integratedindia.in  
**Contact Person:** Mr. S Giridhar  
**Website:** www.integratedregistry.in  
**Investor Grievance Email:** giri@integratedindia.in  
**SEBI Registration Number:** INR000000544  
**CIN No:** U74900TN2015PTC101466

### ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

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## SECTION I: DEFINITIONS AND ABBREVIATIONS

### DEFINITIONS AND ABBREVIATIONS

This draft prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the respective meanings given below. References to statutes, regulations, rules, guidelines and policies will be deemed to include all amendments and modifications thereto as amended from time to time.

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this draft prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. 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.

#### General Terms

TERMS	DESCRIPTIONS
“Netanalytiks Technologies Limited”, “Netanalytiks” “The Company”, “Our Company”, “Issuer Company” or “Issuer”, “we”, “our” “us” or “Netanalytiks”	Unless the context otherwise indicates or implies, “ <b>Netanalytiks Technologies Limited</b> ”, a public limited company incorporated under the provision of Companies Act, 2013 and having its Registered Office at 91 Springboard Gopala Krishna, Complex no 45/3 Residency Rd MG Rd, Museum Road, Bangalore, Bangalore North, Karnataka, India, 560025.
“we”, “our”, or “us”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies.
Our Promoters or Promoters of the Company	The promoters of our company being <b>Mr. Shankara Anantharamaiah Chilkunda and Mr. Lakshminarayana Ullala</b> .
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed under Section titled “Our Promoters and Promoter Group”

#### Company Related Terms

TERMS	DESCRIPTIONS
“Articles” or “Articles of Association” or “AOA”	The Articles of Association of our Company, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance with Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 146 of this draft prospectus.
“Board of Director(s)” or “the/our Board”	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
“CFO” or Chief Financial Officer	The Chief Financial Officer of our company being “ <b>Mrs. Sangita Ullala</b> ”.
CIN	Corporate Identification Number
Companies Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer of our company being “ <b>Mr. Kodlu Ramakrishna Abhijith</b> ”.
Corporate Social Responsibility committee	Corporate Social Responsibility committee in accordance with the Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 146 of this draft prospectus.
DIN	Directors Identification Number.
Director/Director(s)	The directors of our Company, unless otherwise specified
ED	Executive Director
Equity Shares	The Equity Shares of our Company of face value of ₹10/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholders	Persons/Entities holding Equity Shares of our Company.
Export	Export means taking goods out of India to a place outside India.
Group Companies/Entities	Such companies with which there were related party transactions, during the period for which financial information is disclosed in this draft prospectus, which are covered



TERMS	DESCRIPTIONS
	under the applicable accounting standards and other companies as considered material by our Board, as identified in “Our Group Companies”
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standard
Ind GAAP	Generally Accepted Accounting Principles in India.
Import	Import means bringing goods into India from a place outside India
Independent Director	Non-executive & Independent Director as per the Companies Act, 2013
IT Act	The Income Tax Act, 1961 as amended till date
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
ISIN	International Securities Identification Number In this case being “INE08AG01019”
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations 2018, Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <b>Our Management</b> ” on page no. 146 of this draft prospectus.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board in accordance with the requirements of the SEBI (ICDR) Regulations
Memorandum/Memorandum of Association/MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and Remuneration committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 146 of this draft prospectus.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Peer Review/Statutory Auditor	The Statutory Auditors of our Company having a valid Peer Review certificate in our case being “ <b>M/s. Vishnu Daya &amp; Co LLP, Chartered Accountant</b> ” Chartered Accountants, having its office at GF-7 & 3 <sup>rd</sup> Floor Karuna Complex No. 337, Sampige Road, Malleshwaram, Bangalore, Karnataka-560003.
Promoters	Shall mean promoters of our Company as mentioned in this draft prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “ <b>Our Promoter and Promoter Group</b> ” beginning on page no. 159 of this draft prospectus.
Registered Office	Registered Office of the Company is presently situated at 91 Springboard Gopala Krishna, Complex no 45/3 Residency Rd MG Rd, Museum Road, Bangalore, North, Karnataka, India, 560025.
Restated Financial Statement	Audited Financial Statements for the nine months ended on for financial years ended on 31 <sup>st</sup> March 2024, 31 <sup>st</sup> March 2023 and 31 <sup>st</sup> March 2022, as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information.
RoC/Registrar of Companies	The Registrar of Companies, Bangalore.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
Senior Management	Senior Management means the officers and personnel of the issuer as defined in Regulation 2(1)(bbbb) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. For details, please refer to section titled “ <b>Our Management</b> ” on page no. 146 of this draft prospectus.
Shareholders	Shareholders of our Company
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA
WTD	Whole Time Director
Stakeholders Relationship Committee	Stakeholder’s relationship committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 146 of this draft prospectus.
Wilful Defaulter(s) or Fraudulent Borrower(s)	A person or an issuer who or which is categorized as a wilful defaulter or fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or

TERMS	DESCRIPTIONS
	fraudulent borrowers issued by the Reserve Bank of India, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations 2018.

#### Issue Related Terms

TERMS	DESCRIPTIONS
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot/Allotment of/ Allotted Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	A successful Applicant (s) to whom the Equity Shares are being/have been issued/allotted.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the draft prospectus and the Application Form.
Application	An indication to make an offer during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this draft prospectus.
Application Supported by Blocked Amount/ASBA or UPI	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account including the bank account linked with UPI ID.  Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by Applicants for blocking the Bid Amount mentioned in the ASBA Form
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this draft prospectus.
ASBA Forms	An application form (with or without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the draft prospectus.
ASBA Application Location(s)/Specified Cities	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time
Banker to the Issue	Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being “[●]”
Banker to the Issue Agreement	Agreement dated [●], entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the Section titled, “ <i>Issue Procedure, - Basis of Allotment</i> ” beginning on page no. 238 of this draft prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers, are available on the website of the BSE i.e., <a href="http://www.bseindia.com">www.bseindia.com</a>

TERMS	DESCRIPTIONS
Broker to the Issue	All recognized members of the stock exchange of BSE would be eligible to act as the Broker to the Issue.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branches of SCSBs	Such branches of the SCSBs which coordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository/Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being com and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account, as appropriate in terms of the draft prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediaries/Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, 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 RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Stock Exchange	BSE Limited
Draft prospectus	The Draft prospectus dated September 30, 2024 issued in accordance with Section 26 & 32 of the Companies Act, 2013 filed with BSE Limited under SEBI (ICDR) Regulations.
DP	Depository Participant.
DP ID	Depository Participant's Identity number.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this draft prospectus constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the draft prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.

TERMS	DESCRIPTIONS
Equity Shares	Equity Shares of our Company of face value ₹10/- each.
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue/Public Issue/Issue Size Initial Public Issue/IPO	Public issue of <b>11,23,200</b> Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹100/- per Equity Share aggregating to ₹ <b>1,123.20 Lakhs</b> by our Company, in terms of this draft prospectus.
Issue Agreement	The Issue Agreement dated September 04, 2024 between our Company and Lead Manager.
Issue Closing Date	The date on which Issue Closes for Subscription.
Issue Opening Date	The date on which Issue Opens for Subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company being ₹100/- per Equity Share.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about the use of the Issue Proceeds please refer to Section titled “ <i>Objects of the Issue</i> ” beginning on page no. 69 of this draft prospectus.
Lead Manager/LM	means a merchant banker registered with the SEBI and appointed by the issuer to manage the issue and in case of a book-built issue, the lead manager(s) appointed by the issuer shall act as the book running lead manager(s) for the purposes of book building. Lead Manager to the Issue, in this case being “ <i>M/s. Finshore Management Services Limited</i> ”.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being “ <i>M/s. Black Fox Financial Private Limited</i> ” who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Market Making Agreement dated September 04, 2024, between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	Up to <b>56,400</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹100/- per Equity Share aggregating to ₹ <b>56.40 Lakhs</b> only.
Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to <b>10,66,800</b> Equity Shares of face value ₹10/- each for cash at an Issue price of ₹100/- per Equity Share (the “Issue Price”), aggregating to ₹ <b>1,066.80 Lakhs</b> Only.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA)
Non-Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and

TERMS	DESCRIPTIONS
	who have applied for Equity Shares for an amount of more than ₹2 Lakh (but not including NRIs other than Eligible NRIs).
BSE	BSE Limited
BSE SME	SME Platform of BSE Limited as per the Rules and Regulations laid down by SEBI for listing of equity shares
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. <b>OCBs are not allowed to invest in this Issue.</b>
Other Investors	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.
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.
Prospectus	The prospectus dated [●] registered with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013 and SEBI ICDR Regulations.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
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 this Issue/RTI	Registrar to the Issue in our case being <b>"M/s. Integrated Registry Management Services Private Limited"</b> .
Registrar Agreement	The agreement dated September 04, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidder(s) or RIB(s) or Retail Individual Investor(s) or RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, Issuing Services in relation to ASBA, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
SME Exchange	"SME exchange" means a trading platform of a recognised stock exchange having nationwide trading terminals permitted by the SEBI to list the specified securities issued in accordance with Chapter IX of SEBI ICDR and includes a stock exchange granted recognition for this purpose but does not include the Main Board;
Specified Locations	Collection Centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.



TERMS	DESCRIPTIONS
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 in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI
SEBI (ICDR) Regulations / ICDR Regulation / Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended from time to time, including instructions and clarifications issued by SEBI 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 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.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2020 and as amended thereto, including instructions and clarifications issued by SEBI from time to time.
Transaction Registration Slip /TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
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/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, 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 National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single window mobile payment system developed by the National Payment Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. 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 Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time

TERMS	DESCRIPTIONS
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
Underwriters	M/s. Finshore Management Services Limited
Underwriting Agreement	The Underwriting Agreement dated September 04, 2024, entered into between our Company and the Underwriters.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	<p>“Working day” means all days on which commercial banks in Mumbai are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business.</p> <p>The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the SEBI, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1)(mmm) of SEBI ICDR Regulations 2018.</p>

### Conventional and General Terms

TERMS	DESCRIPTIONS
ACIT	Assistant Commissioner of Income Tax.
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981.
Category I Foreign Portfolio Investor(s)	FPIs who are registered as “Category I foreign portfolio investor” under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as “Category II foreign portfolio investor” under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as “Category III foreign portfolio investor” under the SEBI FPI Regulations.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made there under.
Companies Act/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 there under.
Competition Act	The Competition Act, 2002.
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CST Act	Central Sales Tax Act, 1956.
FCNR Account	Foreign currency non-resident account.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal Year/F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
Fugitive economic offender	“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)
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.

TERMS	DESCRIPTIONS
Hazardous Waste Rules, 2008	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961.
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016, as amended.
LLP Act	The Limited Liability Partnership Act, 2008.
Notified Sections	The sections of the Companies Act, 2013, that have been notified by the Government as having come into effect prior to the date of this draft prospectus.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
RBI Act	Reserve Bank of India Act, 1934.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI (LODR) Regulations/ SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
STT	Securities Transaction Tax.
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974.

#### Technical and Industry related terms

TERMS	DESCRIPTIONS
BPM	Business Process Management
BU	Billion Units
CAGR	Compounding Annual Growth Rate
CPI	Consumer Price Index
CSO	Central Statistics Office's
DGGI	Director General of Goods & Services Tax Intelligence
DIPP	Department of Industrial Policy and Promotion
DPIIT	Department for Promotion Industry and Internal Trade
DPR	Detailed Project Report
EDP	Electronic Data Processing
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
EU	European Union
FCNR	Foreign Currency Non-Resident

TERMS	DESCRIPTIONS
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Service Tax
GVA	Gross Value Added
G-sec	Government Securities
IBEF	India Brand Equity Foundation
IMF	International Monetary Fund
INR	Indian Rupee Rates
MNC	Multinational Corporation
MOU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
MYEA	Mid-Year Economic Analysis
NH	National Highway
NITI Aayog	National Institution for transforming India
NMP	National Manufacturing Policy
OSA	Out Sourcing Agent
PMA	Preferential Market Access
PSUs	Public Sector Undertaking
RIMS	Records and Information Management Services
RBI	Reserve Bank of India
R & D	Research and Development
SED	Strategic Engineering Division
SEZ	Special Economic Zone
SMB	Server Message Block
TFA	Trade Facilitation Agreement
UPS	Uninterrupted Power Supply
US	United States
WPI	Wholesale Price Index

### Abbreviations

TERMS	DESCRIPTIONS
Rs. or ₹ or Rupees or INR	Indian Rupees.
AGM	Annual General Meeting.
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment year.
BC	Before Christ.
BIFMA	Business and Institutional Furniture Manufacturers Associations
BPLR	Bank Prime Lending Rate.
BSE	BSE Limited.
CARO	Companies (Auditor's Report) Order, 2016 & 2020, as amended
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identity Number.
CLB	Company Law Board.
CrPC	Criminal Procedure Code, 1973, as amended.
CSR	Corporate Social Responsibility.
DIN	Director Identification Number.
DP ID	Depository participant's identification.
ECS	Electronic Clearing System.
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation.
EGM	Extraordinary General Meeting of the Shareholders of the Company.
EPS	Earnings Per Share.
ESOS	Employee Stock Option Scheme.
FDI	Foreign direct investment.
FIPB	Foreign Investment Promotion Board.
GAAR	General anti avoidance rules.

TERMS	DESCRIPTIONS
GBP	Great Britain Pound.
GIR	General index register.
GoI/Government	Government of India.
GST	Goods & Service Tax
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISO	International Organization for Standardization.
IT Act	The Income Tax Act, 1961, as amended.
IT Rules	The Income Tax Rules, 1962, as amended.
JV	Joint Venture.
MCA	Ministry of Corporate Affairs, Government of India.
MoU	Memorandum of Understanding.
N.A.	Not Applicable.
NAV/Net Asset Value	Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares.
NECS	National Electronic Clearing Services.
NEFT	National Electronic Fund Transfer.
NoC	No Objection Certificate.
No.	Number.
NR	Non-Resident.
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets.
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PCB	Pollution Control Board.
P/E Ratio	Price per Earnings Ratio.
Pvt.	Private.
RBI	Reserve Bank of India.
RoC	Registrar of Companies.
RONW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCN	Show Cause Notice.
SCSB	Self-Certified Syndicate Bank.
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
UIN	Unique Identification Number.
US	United States.
VAT	Value Added Tax.
w.e.f.	With effect from
YoY	Year on Year.

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



## CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY & MARKET DATA, AND CURRENCY PRESENTATION

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to “India” in this draft prospectus are to the Republic of India.

Unless stated otherwise, all references to page numbers in this draft prospectus are to the page numbers of this draft prospectus.

In this draft prospectus, the terms “the Company”, “our Company”, “Issuer”, “Issuer Company”, “Netanalytiks Technologies”, “NTL”, and “Netanalytiks Technologies Limited” unless the context otherwise indicates or implies, refers to “Netanalytiks Technologies Limited”.

In this draft prospectus, the terms “we”, “us”, “our”, or Netanalytiks Technologies, unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies, if any.

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

### Financial Data

Unless stated otherwise, the financial information in this draft prospectus are extracted from the restated Consolidated Financial Statements of our Company for financial Years ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “**Financial Statements as Restated**” beginning on page no. 169 of this draft prospectus. Our restated Consolidated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this draft prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the draft prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the draft prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this draft prospectus, including in the Sections titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page no. 21, 119, and 202 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this draft prospectus.

### Currency and Units of Presentation

All references to “Rupees”, “Rs.”, “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “£” or “GBP” are to Great Britain Pound, the official currency of the United Kingdom. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

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

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million and ‘billion / bn./ Billions’ means ‘one hundred crores’

### Industry and Market Data

Unless stated otherwise, industry and market data used throughout this draft prospectus has been derived from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion, Department for Promotion of Industry and Internal Trade, India Brand Equity Foundation (IBEF) and industry publications etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, we believe that the industry and market data used in this draft prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this draft prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the Section titled “**Risk Factors**” beginning on page no. 21 of this draft prospectus. Accordingly, investment decisions should not be based on such information.

### Exchange Rates

This draft prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency#	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
1 USD	83.37	82.22	75.81

*Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.*

*# Source: [www.fbil.org.in](http://www.fbil.org.in)*

## FORWARD-LOOKING STATEMENTS

The Company has included statements in this draft prospectus which contain words or phrases such as “may”, “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “potential” and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this draft prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the Section titled “*Risk Factors*”; “*Industry Overview*”; “*Our Business*”; and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”; beginning on page no. 21, 87, 119 and 202, respectively, of this draft prospectus.

The forward-looking statements contained in this draft prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materializes, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the Sectors in which we operate;
- Emergence of alternate products which may be technologically advanced and our inability to keep pace with the change
- Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Our ability to retain and hire key employees or maintain good relations with our workforce;
- Impact of any reduction in sales of our products;
- Increased competition in industries/sector in which we operate;
- Our ability to expand our geographical area of operation;
- General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;
- Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability; and
- COVID-19 pandemic and similar circumstances

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. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being issued in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this draft prospectus until the Equity Shares are allotted to the investors.

## SECTION II: SUMMARY OF DRAFT PROSPECTUS

### SUMMARY OF DRAFT PROSPECTUS

#### (A) PRIMARY BUSINESS OF OUR COMPANY AND THE INDUSTRY IN WHICH IT OPERATES:

##### ❖ Primary Business of Our Company:

Our Company, Netanalytiks Technologies Limited, is engaged in the business of providing Information Technology (IT) Solutions to both public and private organizations mainly in Information Technology (IT) Sector. Since its incorporation, the company has been actively involved in delivering a wide range of IT services across diverse roles and responsibilities. NetAnalytiks caters to the specific needs of clients within the IT sector by offering tailored services that ensure high performance, efficiency, and compliance with industry standards.

Our service portfolio can be broadly classified in 3 (three) main categories i.e. (1) IT Consultancy Services; (2) Placement Services; and (3) Business Support Services. Our company is an ISO 9001:2015 and ISO 27001:2013 certified company for providing IT Consulting and Delivery Services, IT Recruitment and Staffing Services, Corporate Training Services and IT Product Development Services which highlight the company's commitment to quality, security, and excellence in the delivery of its services.

*(For Detailed information on our business, please refer to chapter titled “Our Business” beginning from page no. 119 of this draft prospectus.)*

##### ❖ Summary of the industry in which our Company operates:

The Indian Staffing Federation (ISF) has released its latest annual employment report, highlighting the growth within the flexible (Flexi) staffing industry. According to the report, fresh employment generation in the flexi staffing industry grew by 15.3% year-over-year during FY24. The total flexi workforce employed by ISF members increased by 220,000, reaching 1.6 million. FMCG, e-commerce, manufacturing, healthcare, retail, logistics, banking, and energy sectors primarily drove this employment demand.

According to the NASSCOM, the Indian IT industry's revenue touched US\$ 227 billion in FY22, a 15.5% YoY growth and was estimated to have touched US\$ 245 billion in FY23.

The IT spending in India is estimated to record a double-digit growth of 11.1% in 2024, totalling US\$ 138.6 billion up from US\$ 124.7 billion last year.

The Indian software product industry is expected to reach US\$ 100 billion by 2025. Indian companies are focusing on investing internationally to expand their global footprint and enhance their global delivery centres.

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

India's IT industry is likely to hit the US\$ 350 billion mark by 2026 and contribute 10% towards the country's gross domestic product (GDP), Infomerics Ratings said in a report.

As an estimate, India's IT export revenue rose by 9% in constant currency terms to US\$ 194 billion in FY23. Exports from the Indian IT services industry stood at US\$ 199 billion in FY24.

The export of IT services has been 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.

Exports from the Indian IT industry stood at US\$ 194 billion in FY23. The export of IT services was the major contributor, accounting for more than 51% of total IT exports (including hardware). BPM, and Software products and engineering services accounted for 19.3% and 22.1% each of total IT exports during FY23.

The IT industry added 2.9 lakh new jobs taking the industry's workforce tally to 5.4 million people in FY23.

*(For further detailed information, please refer to chapter titled “Industry Overview” beginning from page no. 87 of this draft prospectus.)*

**(B) NAME OF THE PROMOTERS OF OUR COMPANY:**

Mr. Shankara Anantharamaiah Chilkunda and Mr. Lakshminarayana Ullala are the promoters of our company.

(For further details, please refer chapter “Our Promoters and Promoters Group” beginning from page no. 159 of this draft prospectus.)

**(C) SIZE OF THE ISSUE:**

Initial Public issue of **11,23,200** equity shares of face value of ₹10/- each (“Equity Shares”) of **Netanalytiks Technologies Limited** (“The Company” or “The Issuer”) for cash at a price of ₹100/- per equity share, including a share premium of ₹90/- per equity share (“The Issue Price”), aggregating to **₹1,123.20 Lakhs** (“The Issue”), of which **56,400** equity shares of face value of ₹10/- each for cash at a price of ₹100/- per equity share, aggregating to **₹56.40** lakhs will be reserved for subscriptions by the Market Maker to the issue (The “Market Maker Reservation Portion”). The issue less market maker reservation portion i.e., Issue of **10,66,800** equity shares of face value of ₹10/- each for cash at a price of ₹100/- per equity share, aggregating to **₹1,066.80** Lakhs is here-in after referred to as the “Net Issue”. The issue and the net issue will constitute **27.99 %** and **26.59 %** respectively of the post issue paid up equity share capital of the company.

(For further details, please refer chapter “Terms of the Issue” beginning from page no. 229 of this draft prospectus.)

**(D) OBJECTS OF THE ISSUE:**

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects:

₹ in lakhs			
Sr. No.	Particulars	Amount (₹ in Lakhs)	% of total issue size
A	Development of GEN AI Product / Solution	159.60	14.21%
B	Working Capital Requirement	578.95	51.54%
C	General Corporate Expenses	225.00	20.03%
<b>Net Issue Proceeds</b>		<b>963.55</b>	<b>85.79%</b>

For further details, please refer chapter “Objects of the Issue” beginning from page no. 69 of this draft prospectus.

**(E) PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTERS GROUP AS ON THE DATE OF THIS DRAFT PROSPECTUS:**

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
<b>Promoters</b>		
Mr. Shankara Anantharamaiah Chilkunda	11,95,686	41.38%
Mr. Lakshminarayana Ullala	11,95,686	41.38%
<b>Total Promoters Shareholding (A)</b>	<b>23,91,372</b>	<b>82.76%</b>
<b>Promoter Group</b>		
Mrs. Roopa Ramanna Somanahalli	38,610	1.34%
<b>Total Promoters Group Shareholding (B)</b>	<b>38,610</b>	<b>1.34%</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>24,29,982</b>	<b>84.10%</b>

For further details, please refer chapter “Capital Structure” beginning from page no. 56 of this draft prospectus.



**(F) SUMMARY OF RESTATED FINANCIAL STATEMENTS:***(₹ in Lakhs, except otherwise mentioned)*

Particulars	31-03-2024	31-03-2023	31-03-2022
Total Share Capital	32.11	32.11	32.11
Total Net Worth	513.81	297.29	213.40
Total Revenue	1,088.58	799.29	488.82
Profit After Tax	236.52	83.89	47.07
Face Value per equity shares	10/-	10/-	10/-
Earnings Per Share (Basic & Diluted) <i>(As per Restated financials)</i>	73.67	26.13	14.66
Earnings Per Share (Basic & Diluted) <i>(after giving retrospective effect of Bonus)</i>	8.19	2.90	1.63
Net Asset Value per equity share <i>(As per Restated financials)</i>	160.04	92.60	66.47
Net Asset Value per equity share <i>(after giving retrospective effect of Bonus)</i>	17.78	10.29	7.39
Total Borrowings	21.63	51.12	51.91

*(For further details, please refer chapter “Capital Structure” and “Financial statement as Restated” beginning from page no. 56 and 169 respectively of this draft prospectus.)*

**(G) AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENT:**

The auditor report of Restated Financial information of Netanalytiks Technologies Limited, for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 does not contain any qualifications which have not been given effect in the restated financial statement.

*(For further details, please refer chapter “Financial statement as Restated” beginning from page no. 169 of this draft prospectus.)*

**(H) SUMMARY OF OUTSTANDING LITIGATIONS:**

There are no outstanding litigation pending against the company, directors, promoters and Group Entity.

For further details, please refer chapter “Outstanding Litigation and Material Development” beginning from page no. 210 this draft prospectus.

**(I) CROSS REFERENCE TO THE SECTION TITLED RISK FACTORS:**

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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this draft prospectus.

*(For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “Risk Factors” beginning on page no. 21 of this draft prospectus.)*

**(J) SUMMARY OF CONTINGENT LIABILITIES:**

As on March 31, 2024, there are no contingent liability in our Company.

*(For further details, please refer chapter “Financial Statements as Restated” beginning from page no. 169 of this draft prospectus.)*

**(K) SUMMARY OF RELATED PARTY TRANSACTIONS FOR LAST 3 YEARS:***(₹ in Lakhs)*

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Security deposit repaid</b>			
Sententia Educational Solutions Pvt Ltd.	-	-	9.65
<b>Remuneration paid to Directors</b>			
Lakshminarayana Ullala	44.03	29.38	21.22
Shankara A Chilkunda	44.03	29.38	20.63
<b>Total</b>	<b>88.06</b>	<b>58.76</b>	<b>41.85</b>
<b>Consultancy fees to Relatives of KMP</b>			
Ritu Shankara Chilkunda	1.89	-	-
Shwetha Ullala	-	16.59	9.00
Roopa Somanahalli	-	19.69	9.00
<b>Total</b>	<b>1.89</b>	<b>36.27</b>	<b>18.00</b>
<b>Sale with related parties</b>			
Netanalytikis Technologies Pty Ltd	47.62	53.38	29.55
Netanalytikis Technologies Inc	32.02	-	-
Lanquill Edtech Private limited	37.45	5.25	-
<b>Total</b>	<b>117.09</b>	<b>58.63</b>	<b>29.55</b>
<b>Reimbursement of expenses</b>			
Lakshminarayana Ullala	5.81	7.91	0.19
Shankara A Chilkunda	0.29	4.39	-
<b>Interest on Business Consideration receivable</b>			
Lanquill Edtech Private limited	19.20	11.99	-
<b>Business assets transferred</b>			
Lanquill Edtech Private limited	-	231.49	-
<b>Business liabilities transferred</b>			
Lanquill Edtech Private limited	-	21.49	-
<b>Investment in foreign subsidiary</b>			
Netanalytikis Technologies Inc	0.43	-	-
<b>Unsecured Loans Received</b>			
Lakshminarayana Ullala	-	9.83	14.00
Shankara A Chilkunda	-	90.00	66.00
<b>Unsecured Loans Paid</b>			
Lakshminarayana Ullala	-	10.00	51.01
Shankara A Chilkunda	-	120.37	79.50
<b>Total</b>			
<b>Closing Balance of Related Parties</b>			
Lakshminarayana Ullala salary (Dr/(Cr))	5.00	(1.12)	(2.03)
Shankara A Chilkunda salary (Dr/(Cr))	-	(3.06)	(1.64)
Lakshminarayana Ullala loan (Dr/(Cr))			(0.17)
Shankara A Chilkunda loan (Dr/(Cr))			(48.19)
Lanquill Edtech Private limited (Dr)	233.62	177.74	-
Lanquill Edtech Private limited (Cr)	-	(36.73)	-
NetAnalytikis Technologies Pty Ltd (Dr)	48.38	4.64	-
NetAnalytikis Technologies Inc- unbilled revenue (Dr)	32.02	-	-
NetAnalytikis Technologies Inc- Investment (Dr)	0.43	-	-
NetAnalytikis Technologies Inc- (Cr)	(0.43)	-	-

For details pertaining to Related Party Transactions, kindly refer to the chapter titled “Financial Statements as Restated – Related Party Transactions” beginning on page no. 197 of this draft prospectus

**(L) DETAILS OF FINANCING ARRANGEMENT:**

There are no financing arrangements whereby the promoters, member of promoter group, the directors of the company which is a promoter of the issuer, the directors of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this draft prospectus.

**(M) WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:**

Sl. No.	Name of the Promoter	No. of Shares Acquired during last one Year	Consideration (in ₹)	Weighted Average Price (In ₹ per Equity Share)
1	Shankara Ananthramaiah Chilkunda	10,62,832	Nil	Nil
2	Lakshminarayana Ullala	10,62,832	Nil	Nil

*(The Equity Shares of the Company as mentioned above were acquired by way of Bonus Issue)*

**(N) AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:**

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Shankara Ananthramaiah Chilkunda	11,95,686	1.11
2	Lakshminarayana Ullala	11,95,686	1.11

*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer or bonus issue etc. less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the draft prospectus.*

**(O) DETAILS OF PRE-IPO PLACEMENT:**

Our Company has not proposed any Pre-IPO placement from the date of this draft prospectus till the listing of the Equity Shares.

**(P) DETAILS OF ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:**

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
13-06-2024	25,68,448	-	-	Bonus Share	#	Capitalization of reserves

*# For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled "Capital Structure" beginning on page no. 56 of this draft prospectus.*

**(Q) DETAILS OF SPLIT/CONSOLIDATION OF OUR EQUITY SHARES IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:**

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this draft prospectus.

**(R) EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

The Company has not sought for any exemptions from complying with any provisions of securities laws.

## SECTION III: RISK FACTORS

### RISK FACTORS

*Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, **Our Business**, and **Management's Discussion and Analysis of Financial Condition and Results of Operations** beginning on page no. 119 and 202 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.*

*Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

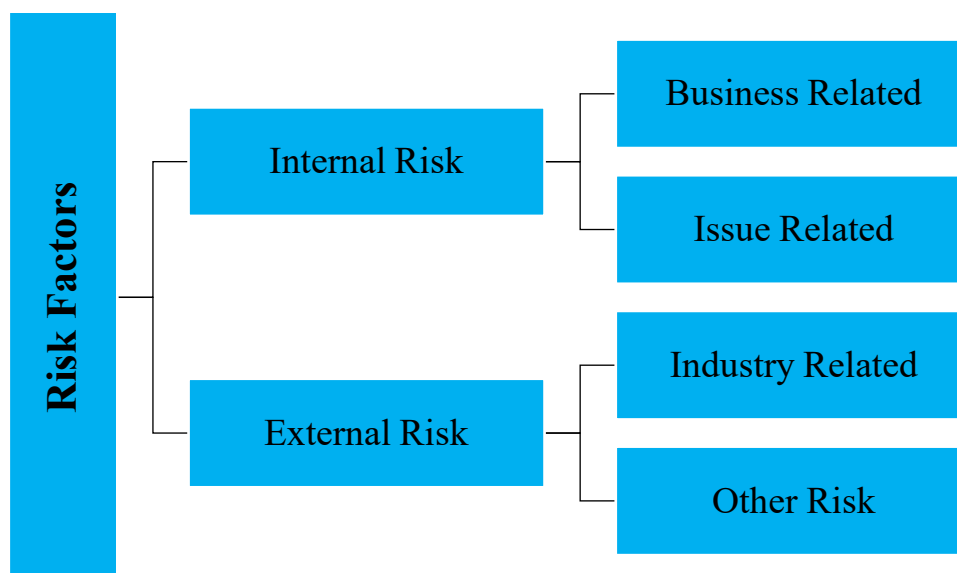
*This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Draft Prospectus.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. 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 consequences to you of an investment in the Equity Shares.*

*The financial information in this section is, unless otherwise stated, derived from our Restated Financial Statements prepared in accordance with Indian AS, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.*

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

1. *Some risks may not be material individually but may be material when considered collectively.*
2. *Some risks may have material impact qualitatively instead of quantitatively.*
3. *Some risks may not be material at present but may have a material impact in the future.*



## **INTERNAL RISK FACTORS**

### **A. Business Related Risks**

#### ***1. Our industry is highly competitive, and we may not be able to compete effectively with competitors.***

The market for Manpower Services is both highly competitive and rapidly evolving. Our competitors are numerous, ranging from small private firms to large public companies. Contract awards are based primarily on quality of service, relevant experience, staffing capabilities, reputation, geographic presence, stability and price. In addition, the technical and professional aspects of our services generally do not require large upfront capital expenditures and provide limited barriers against new competitors. Many of our competitors have achieved greater market infiltration in some of the markets in which we compete and have more personnel, technical, marketing and financial resources or financial flexibility than we do. If our competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to offer services similar to ours at lower prices without adversely affecting their profit margins. Even if our offerings address industry and client needs, our competitors may be more successful at selling their services. If we are unable to provide our clients with superior services and solutions at competitive prices or successfully market those services to current and prospective clients, our business, results of operations and financial condition may suffer. These competitive forces could force us to make price concessions or otherwise reduce prices for our services. We expect that further competition will increase and potentially include firms in countries with lower personnel costs than those prevailing in India. However, we recognize that price alone cannot constitute sustainable competitive advantage. Flexibility to respond to changing business conditions is an important element towards maintaining a competitive position. In addition to competition from our competitors, we are also affected by competition faced by our customers, specifically large clients who operate in the IT/ITES sector. If we are unable to maintain our competitiveness, our market share, revenue, and profits could decline.

#### ***2. We may fail to attract and retain sufficiently trained employees to support our operations, as competition for highly skilled personnel is intense and we experience significant employee turnover rates.***

The staffing industry is highly manpower intensive and our success depends to a significant extent on our ability to attract, hire, train and retain qualified employees, including our ability to attract employees with needed skills in the geographic areas in which we operate. The industry, including our Company, experiences high employee turnover. There is a significant competition for professionals in India with skills necessary to perform the services we offer to our clients. Increased competition for these professionals, in the staffing industry or otherwise, could have an adverse effect on us. High attrition rates among our highly skilled employees, in particular, could result in a loss of domain and process knowledge, which could result in poor service quality and lead to breaches by us of our contractual obligations. High turnover rates increase our expenditures and therefore impact our profit margins due to higher recruitment, training and retention costs as a result of maintaining larger hiring, training and human resources departments and higher operating costs due to having to reallocate certain business processes among our operating facilities where we have access to the skilled workforce needed for the business. A lack of sufficiently qualified personnel could also inhibit our ability to establish operations in new markets and our efforts to expand geographically. Our failure either to attract, train and retain personnel with the qualifications necessary to fulfil the needs of our existing and future clients or to assimilate new employees successfully could have a material adverse effect on our business, results of operations, financial condition and cash flows.

#### ***3. We may be unable to perform verification procedures on our Associate employees prior to placing them with our clients.***

A few of our clients require us to perform verification procedures on our Associate employees prior to placing these Associate employees with them. Due to sufficiently reliable information being unavailable in some cases, we may be unable to fully perform such verification procedures as requested by our clients. Failure to perform such verification procedures does not typically result in monetary penalties to our clients, but may lead to terminations of these Associate employees by our clients. We have not failed to perform such procedures upon request from our clients in the past. However, if we fail to perform such procedures in the future, the Associate employees we place with our clients may be terminated, which may in turn result in an adverse effect on our results of operations, reputation and business prospects. As part of our verification procedures, Associate employees are required to disclose certain information for the purposes of certain benefits, and failure to register such information could result in penalties and/or investigations by the relevant authorities, which could in turn affect our reputation and results of operations. While we have not experienced any such material penalties and/or investigations by the relevant authorities, we cannot assure you that we will not experience any material penalties and/or investigations by the relevant authorities in the future.



**4. *Our Company has entered into Business Transfer Agreement dated September 19, 2022 with our Group Company M/s. Lanquill Edtech Private Limited for transfer of certain assets and liabilities.***

Our company has entered into Business Transfer Agreement dated September 19, 2022 with our Group Company M/s. Lanquill Edtech Private Limited (the ‘Transferee’) which was established with the vision to exclusively develop an AI based online language in the name of “Lanquill” for transfer of certain assets and liabilities w.r.t. Lanquill-AI-based online language lab with personalized learning, adaptive assessments and English proficiency certifications along with user manual, source code and training material along with Receivables, Unsecured Loan, Gratuity and Identified Personnel etc. for net consideration of ₹ 210.00 lakhs which has to be paid by Transferee over a period of 3 years with a minimum payment of ₹ 75.00 lakhs each in the first two years and balance in last year. However, the transferee has made payment of ₹ 50.00 lakhs only on January 09, 2023. On November 02, 2023, both parties have agreed to a revised payment schedule for the balance consideration amount of ₹ 160.00 lakhs to be paid by the Transferee in two parts i.e. ₹ 100.00 lakhs on or before March 31, 2025 and ₹ 60.00 lakhs on or before March 31, 2026. In the event of non-receipt or delay in receipt of said consideration may adversely affect our business operation, financial condition, results of operations, cash flow and future financial performance.

**5. *Our business is subject to extensive government regulation, which may restrict the types of services we are permitted to offer or result in additional tax or other costs that reduce our revenues and earnings.***

Compliance with many of the regulations applicable to our operations may involve incurring significant costs and otherwise may impose restrictions on our operations. We cannot assure you that we will not be subject to any adverse regulatory action in the future. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and the business of our Company could be adversely affected. We cannot assure you that a regulatory agency or court of law would determine that we are fully compliant with such laws and regulations. Any such non-compliance, or untimely compliance, with applicable laws and regulations in the future could result in the imposition of civil, regulatory and criminal penalties, cancellation of licenses and revocation of permits or authorizations, among other sanctions.

Further, most of our clients operate in a labour-intensive industry. If we are unable to negotiate with the Associate employees, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. In addition, we may not be able to procure required independent contractors for our existing or future clients. Additionally, a large number of workers we employ come from different parts of India. If we are unable to substitute these workers when required, our business, financial conditions, results of operations and cash flow could be adversely affected. For further details on the laws and regulations applicable to us, please refer to the section “**Key Industry Regulation and Policies**” beginning on page 132 of this Draft Prospectus.)

**6. *Due to the nature of the staffing services business, we may be exposed to Associate employees related claims and losses that could have an adverse effect on our business and reputation.***

We employ and assign our Associate employees in the workplaces of our clients. Our business is dependent upon the performance of our Associate employees. If any of our Associate employees do not perform in accordance with the instructions or standards established by the clients or agreed by us, and our clients become dissatisfied with the performance of our Associate employees, our reputation and ability to maintain or expand our client base may be adversely affected. Our ability to control the performance of our Associate employees may be limited. The risks associated with the deployment of our Associate employees, inter-alia, include possible claims relating to:

- actions or inactions of our Associate employees, including matters for which we may have to indemnify our clients;
- failure of our employees to adequately perform their duties including rendering deficient services, shortage in shift, absenteeism or lateness;
- criminal acts, torts or other negligent acts by our Associate employees;
- discrimination and harassment claim for physical or sexual abuse (including claims relating to actions of our clients);
- wrongful termination or retaliation;
- determination of money or benefits due to Associate employees with reference to their termination;
- violations of employment rights related to employment screening, privacy issues or minimum wage requirements;
- failure to verify candidates’ and temporary employees’ backgrounds and qualifications;

- apportionment between us and our clients of legal obligations as an employer of temporary employees;
- violation of health and safety regulations;
- retroactive entitlement to employee benefits and other similar employment claims;
- failure to comply with leave policy requirements;
- misuse of client proprietary information;
- misappropriation of funds;
- death or injury to our Associate employees; and
- damage to facilities of our clients due to negligence of our Associate employees.

Any of these claims could lead to additional regulatory scrutiny and potential liability to third parties. We may incur fines and other losses or negative publicity with respect to these claims. In addition, these claims may give rise to litigation, which could be time-consuming and may incur significant costs.

While such claims have not historically had a material adverse effect upon our Company, there can be no assurance that we will not experience losses as a result of such claims in the future. Further, there can also be no assurance that the insurance policies we have purchased to insure against certain risks will be adequate or that insurance coverage will remain available on reasonable terms or be sufficient in amount or scope of coverage.

**7. *Any failure to attract and retain qualified Associate employees who meet the staffing requirements of our clients may adversely affect our business prospect, reputation and future financial performance.***

We depend on our ability to attract and retain qualified Associate employees who possess the skills and experience necessary to meet the staffing requirements of our clients. Our business operations and financial performance may be adversely affected if we are unable to find sufficient number of Associate employees meeting the requirements of our clients. In addition, we must continually evaluate and upgrade our database of available qualified personnel to keep pace with changing client needs and emerging technologies. Competition for individuals with proven professional skills and experience is intense, and we expect demand for such individuals to remain strong in the foreseeable future. In particular, our global technology solutions business and other HR services business requires skilled IT personnel, and our success depends upon our ability to attract, develop, motivate and retain such personnel. Competition may limit our ability to attract and retain the qualified Associate employees necessary for us to meet our clients' staffing needs, as qualified Associate employees may not be available to us in sufficient numbers and on terms of employment acceptable to us. We may not be able to effectively meet the expectations of our clients due to our failure to identify personnel with the requisite skills, experience or other attributes. In addition, we place individuals seeking employment. There can be no assurance that candidates for employment will continue to seek employment through us.

**8. *A significant portion of our business is attributable to certain large clients. Any deterioration of their financial condition or prospects may have an adverse impact on our business. Further, if we fail to expand the size of our business with our existing clients or expand to new clients, or if we lose our large clients, our business, revenue, profitability and growth will be adversely affected.***

We have in the past derived, and we believe that we will continue to derive, a significant portion of our revenue from certain large clients. For the year ended March 31, 2024, March 31, 2023 and March 31, 2022, we derived revenue from operations of ₹ 912.64 lakhs, ₹ 660.50 lakhs and ₹ 417.67 lakhs, respectively, from our top ten clients, representing approximately 85.47%, 84.11% and 85.59%, respectively, of our total revenue from operations. Any downsizing by these clients may reduce their spending on the services provided by us. Further, there are a number of factors outside our control that might result in the loss of a client, including financial difficulties for a client; change in strategic priorities, resulting in a reduced level of spending on staffing solutions; a reduction in staff wages; a demand for price reductions; and a change in strategy by moving more work in-house or to our competitors. The loss of any one or more of large clients could have an adverse effect on our business, profits and results of operations.

**9. *We need to continuously develop new service offerings to retain clients and increase revenue.***

Our industry is competitive with many organized and unorganized players catering to different industries with varied service offerings. Major differentiation among the competitors lies in the variety and quality of service they offer to their clients. For this we need to make long term investment which will enable us to ensure long term benefit and expand our team.

Our inability to recognize the areas where clients' needs can be met may lead to lower operational performance. Further, in case of our competitors offering newer range of services prior to us may lead to shift of our customers to our competitors owing to their range of services.

**10. Our business is dependent on developing and maintaining continuing relationships with our clients and customers. The loss of any significant client or customer could have a material adverse effect on our business, financial condition and results of operations.**

Our Company is engaged in the business of providing human resource services to both public and private organizations mainly in Information Technology (IT) Sector. We have well-known and reputed clients from the Information Technology, amongst others, as our clients. Although, we generally do not enter into long-term supply contracts with our customers, our business is dependent on developing and maintaining a continuing relationship with our key clients and customers. In the event of a significant decline in the demand for our services by our key clients, our business, results of operations and financial condition may be materially and adversely affected. There can be no assurance that we will be able to maintain the historic levels of business from these clients and customers or that we will be able to replace these clients in case we lose any of them.

**11. There have been some instances of delayed filing of returns and depositing of statutory dues with regulatory authorities”**

In the past, our company has at some instances, delayed in filing GST returns, EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although the late filing fees levied are not significant but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and our directors, in which event the financials of our Company and our directors may be affected. For further details of certain material legal proceedings involving our Company, our Promoters, our directors, see **“Outstanding Litigation and Material Developments”** beginning on page 210 of this Draft Prospectus.

**12. General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.**

Our business is highly dependent on economic and market conditions in India and overseas jurisdictions where we operate. General economic and political conditions in India and abroad, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increased financial savings might slow down or reverse, our employee costs may increase and the sales of many of our products and services may decline.

**13. Delays or defaults in payment by our Clients could affect our cash flows and may adversely affect our financial condition and operations.**

As of March 31, 2024, we had receivables of ₹ 251.76 lakhs, which represented 40.54% of our total assets as of such date. We extend credit to our clients for a certain tenure and at times for a long period of time and for reason concerning the financial health of our customer we may not be able to realize or recover outstanding amounts in part or in full within a pre-determined timeframe. We have and may continue to have high levels of outstanding receivables. Our average outstanding receivable tenure is in the range of 60 to days in the past three financial years. Hence, if delays or defaults in client payments continue or increase in proportion to our total revenues, it could negatively affect our cash flows and consequently affect our financial condition and operations. Further, while we may take appropriate action in the event of a non-payment of receivables, there can be no assurance that we will be able to successfully recover outstanding amounts owed to us in part or in full, which in turn could affect our cash flows and may adversely affect our financial condition and operations.

- 14. Our Office is located on leased premise or co-working space and there can be no assurance that these leases will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.**

Our Registered Office premise is situated at 91 Springboard Gopala Krishna, Complex no 45/3 Residency Rd MG Rd, Museum Road, Bangalore, Bangalore North, Karnataka, India, 560025. We have entered into monthly rental agreements with the owners of the said premise. For further details, see section **“Our Business”** on page 89 of this Draft Prospectus. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangement will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

- 15. Our revenue from Information & Technology (IT) sector contribute significantly to our revenue from operation. Any loss of business from any one or both sectors may adversely affect our revenues and profitability.**

Our Company is engaged in the business of providing human resource services to both public and private organizations majorly in Information Technology (IT) Sector in diverse roles and responsibilities. Any decline in our quality standards, growing competition and any change in the demand for our services in these sectors may adversely affect our ability to retain clients from these sectors. We cannot assure that we shall generate the same quantum of business, or any business at all, from these sectors, and loss of business from any one or both sectors may adversely affect our revenues and profitability. However, the composition and revenue generated from these sectors might change as we continue to add new clients in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

- 16. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

*₹ in lakhs*

Particulars	31-03-2024	31-03-2023	31-03-2022
Net cash from operating activities	(83.69)	(8.41)	79.70
Net Cash (used in) / from investing activities	95.09	132.91	(23.33)
Net Cash used in financing activities	(60.19)	(77.47)	(43.28)
<b>Net increase/(decrease) in cash and cash equivalent</b>	<b>(48.79)</b>	<b>47.03</b>	<b>13.10</b>

There can be no assurance that our net cash flows shall be positive in the future. Any negative cash flows in the future over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see **“Financial Statements as Restated”** beginning on page 169 of this Draft Prospectus.

- 17. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.**

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered though this draft prospectus. For Details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer the table below:

Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
Shankara Ananthramaiah Chilkunda	11,95,686	1.11
Lakshminarayana Ullala	11,95,686	1.11


**18. We are subject to risks resulting from foreign exchange rate fluctuations, which could adversely affect our results of operations.**


Our revenue from international operations for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 as a percentage of total revenue was 47.83%, 70.38% and 54.31%, respectively. Changes in currency exchange rates influence our results of operations.

Over dependence on exports may adversely affect our profitability in case the trade relations of India with any of these countries get strained in the future or these countries face any sort of problems due to internal issues of their countries. Also, the exchange rate between the Indian Rupee and currencies of the export countries may fluctuate and adversely affect our results of operations. The exchange rate between the Indian Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Any significant appreciation of the Indian Rupee against foreign currencies in which we do business can fundamentally affect our competitiveness in the long term.

**19. Increases in wages for IT professionals could reduce our cash flows and profit margins.**

Historically, wage costs in the Indian IT services industry have been significantly lower than wage costs in developed countries for comparable skilled technical personnel, which has been one of India's competitive strengths. However, wage increases in India may prevent us from sustaining this competitive advantage and may negatively affect our profit margins. In the long term, wage increases may make us less competitive unless we are able to continue increasing the efficiency and productivity of our professionals and the quality of our services and the prices we can charge for our products and services. Increases in wages, including an increase in the cash component of our compensation expenses, may reduce our cash flows and our profit margins and have a material adverse effect on our business, financial conditions and results of operations.

**20. Our Company is using a trademark  which is not registered in the name of the Company. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.**

Presently, our Company is using logo  for which our company has made application bearing number 6596455 for the registration of the same under the Trade Marks Act, 1999 which is 'Formalities Chk Pass' as on date of draft prospectus. Therefore, as on date we do not enjoy the statutory provisions that are accorded to a registered trademark. Further, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects. Thus, we cannot guarantee that the application made for registration of our trademark will be allowed. In case we are unable to obtain the registration for the said trademark in our name, our business revenues and profitability may be impacted. For more information about the licenses and registrations obtained and pending applications, see the section titled **"Government and Other Approvals"** beginning on Page 213 of this Draft Prospectus.

**21. Our insurance policies do not cover all risks, specifically risks like product defect/ liability risk, loss of profits. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.**

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies such as Group Medicare Policy, Digit Employees Compensation Insurance Policy, Commercial General Liability Insurance Policy, Professional Indemnity (Consultants) Insurance Policy Schedule. As on date of Draft Prospectus, we have not obtained any other insurance policies. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which may expose us to certain risks and liabilities. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our results of operations and financial position.

**22. Employee Benefit Expenses forms majority of our Total expenses, increase in employee related costs in India may pressurize our margins and impact our business operations adversely.**

We incur various employee benefit expenses like salary, wages, staff welfare expenses, statutory contributions, etc. Such expenses form a majority of our total expenses for the year ended 31st March, 2024 which contributes 66.44% of our Total expenses. Accordingly, our margins are largely dependent on our employee costs. In case, of any increase in total employee costs and our inability to pass on such increased costs to our clients may lead to adverse financial and operational performance, the quantum of which may not be ascertained as such.



**23. Our Company has entered into certain related party transactions and may continue to do so in the future.**

We have entered into and may in the ordinary course of our business continue to enter into transactions with related parties that include certain of our Promoter, Promoter Group, Directors and Group Companies. For further details in relation to our related party transactions, see **“Financial Statements as Restated - Related Party Transaction”** beginning on page 197 of the Draft Prospectus. While we have entered into such transactions on an arm’s length basis and are in compliance with the applicable provisions of Companies Act, 2013 and other applicable law, there is no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. There can be no assurance that such transactions, will not have an adverse effect on our business, prospects, results of operations and financial condition. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

**24. Certain of our client contracts can be terminated by our clients without cause and with limited or no notice or penalty, which could negatively impact our revenue and profitability.**

Our clients typically retain us on a non-exclusive, project-by-project basis. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties. Additionally, most of our contracts with clients are typically limited to discrete projects without any commitment to a specific volume of business or future work. Our revenues are conditional upon our meeting predetermined performance levels, service guarantees and service delivery targets, which if not met by us, enable clients to claim payments, under certain conditions terminate their agreements. Our inability to meet our service level commitments could adversely affect our revenue and cash flow. Our business is dependent on the decisions and actions of our clients, and there are a number of factors relating to our clients that are outside our control that might result in the termination of a project or the loss of a client, including financial difficulties for a client; change in strategic priorities, resulting in a reduced level of spending on staffing solutions; a demand for price reductions; and a change in strategy by moving more work in-house or to our competitors. Therefore, our business may be adversely affected if any of our contracts are terminated by our clients at short notice.

**25. Our lenders have charge over our book debts, stocks in respect of finance availed by us.**

We have secured our lenders by creating a charge over our book debts, stocks in respect of loans / facilities availed by us from banks. The total amounts outstanding and payable by us as secured loans were ₹ 14.59 Lakhs as on March 31, 2024. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the **“Financial Indebtedness”** please refer to page 162 of this Draft Prospectus.

**26. There are certain instances of delays in the past with ROC/Statutory Authorities.**

Our Company also in the past have made delay in filings of some RoC forms as per the stipulated timelines prescribed under the Companies Act, 2013. Our Company has paid requisite late fees for such filings, and no show cause notice in respect of the same has been received by our Company till date. The details of ROC Late Filings are as follows:

Forms	Purpose	Date of Event	Date of Filing/ Payment	Due Dates	Nos. of Days delayed
AOC-4	Form for filing of financial statement and other documents with Registrar for the period from 01.04.2017 to 31.03.2018	28 September 2018	10 June 2024	27 October 2018	2053
AOC-4	Form for filing of financial statement and other documents with Registrar for the period from 01.04.2021 to 31.03.2022	30 September 2022	28 November 2022	29 October 2022	30
AOC-4	Form for filing of financial statement and other documents with Registrar for the period from 01.04.2022 to 31.03.2023	30 September 2023	31 October 2023	29 October 2023	2
ADT-1	Appointment of Auditor for a period of 5 years	31 December 2016	18 January 2017	14 January 2017	4
DPT-3	Return of Deposits: Onetime Return	31 March 2019	30 June 2019	31 May 2019	30
MGT-14	Filing of Resolutions and Agreements to Registrar- Sale of undertaking	19 September 2022	15 March 2023	18 October 2022	148

Forms	Purpose	Date of Event	Date of Filing/ Payment	Due Dates	Nos. of Days delayed
INC-22	Notice of situation or change of situation of Registered Office of the Company within the local limits	19 June 2023	07 August 2023	18 July 2023	20
INC-27	Filing for Conversion of Private Company to Public Company	12 June 2024	12 July 2024	26 June 2024	16
CHG-1	Creation and Modification of Charge	15 December 2020	25 February 2021	13 January 2021	43

It is pertinent to note here that all the forms are approved by ROC. Further, if any such action is initiated by the regulatory authority, then the Company will have to abide by the order of such regulatory authority or pay any penalty that may be imposed by any regulatory authorities in future for non-compliance with provisions of corporate and other law which could impact the financial position of the Company to that extent.

**27. There have been some instances of delayed filing of returns and depositing of statutory dues with regulatory authorities”**

We have also delayed in monthly filing of GST Returns in the past. The details of delays are as follows:

Forms	Date of Event	Date of Filing/ Payment	Due Dates	Nos. of Days delayed	Reason for Delay
GSTR 3B	30-04-2021	04-06-2021	20-05-2021	15	Due to Covid-19
GSTR 3B	31-10-2020	23-11-2020	20-11-2020	3	Due to Covid-19
GSTR 3B	30-09-2020	05-11-2020	20-10-2020	16	Due to Covid-19
GSTR 3B	30-06-2020	20-08-2020	20-07-2020	31	Due to Covid-19
GSTR 3B	31-05-2020	20-08-2020	20-06-2020	61	Due to Covid-19
GSTR 3B	30-04-2020	12-06-2020	20-05-2020	23	Due to Covid-19
GSTR 3B	31-03-2020	11-06-2020	20-04-2020	52	Due to Covid-19
GSTR 3B	30-09-2019	25-10-2019	20-10-2019	5	Due to inadvertence
GSTR 3B	30-04-2018	21-05-2018	20-05-2018	1	Due to inadvertence
GSTR 3B	28-02-2018	26-03-2018	20-03-2018	6	Due to inadvertence
GSTR 3B	31-01-2018	26-03-2018	20-02-2018	34	Due to inadvertence
GSTR 3B	31-12-2017	15-02-2018	20-01-2018	26	Due to inadvertence

We have also delayed in monthly filing of EPF Returns in the past. The details of delays are as follows:

Forms	Date of Event	Date of Filing/ Payment	Due Dates	Nos. of Days delayed	Reason for Delay
12A	Dec-16	17-01-2017	15-01-2017	2	EPFO Server Issue
12A	Apr-17	13-06-2017	15-05-2017	29	Due to lack of KYC Documents of 3 employees
12A	Aug-17	16-09-2017	15-09-2017	1	EPFO Server Issue
12A	Sep-17	17-10-2017	15-10-2017	2	EPFO Server Issue
12A	Sep-17	15-11-2017	15-10-2017	31	Due to lack of KYC Documents of 1 employee
12A	Oct-17	10-12-2017	15-11-2017	25	Due to lack of KYC Documents of 1 employee
12A	Nov-17	16-12-2017	15-12-2017	1	EPFO Server Issue
12A	Dec-17	14-02-2018	15-01-2018	30	Due to inadvertence
12A	Jan-18	07-04-2018	15-02-2018	51	Due to inadvertence
12A	Feb-18	07-04-2018	15-03-2018	23	Due to inadvertence
12A	Mar-18	16-04-2018	15-04-2018	1	EPFO Server Issue
12A	May-18	17-06-2018	15-06-2018	2	EPFO Server Issue
12A	May-18	13-07-2018	15-06-2018	28	Due to lack of KYC Documents of 1 employee

Forms	Date of Event	Date of Filing/ Payment	Due Dates	Nos. of Days delayed	Reason for Delay
12A	Jul-18	17-08-2018	15-08-2018	2	EPFO Server Issue
12A	Aug-18	16-09-2018	15-09-2018	1	EPFO Server Issue
12A	Nov-18	16-12-2018	15-12-2018	1	EPFO Server Issue
12A	Dec-18	23-01-2019	15-01-2019	8	Due to inadvertence
12A	Dec-18	14-02-2019	15-01-2019	30	Due to lack of KYC Documents of 1 employee
12A	Jan-19	16-03-2019	15-02-2019	29	Due to lack of KYC Documents of 1 employee
12A	Feb-19	16-03-2019	15-03-2019	1	EPFO Server Issue
12A	Mar-19	18-04-2019	15-04-2019	3	EPFO Server Issue
12A	Sep-20	16-10-2020	15-10-2020	1	EPFO Server Issue
12A	Oct-20	09-12-2020	15-11-2020	24	Due to lack of KYC Documents of 1 employee
12A	Nov-20	02-01-2021	15-12-2020	18	Due to lack of KYC Documents of 1 employee
12A	May-21	30-06-2021	15-06-2021	15	Due to lack of KYC Documents of 1 employee
12A	Oct-21	05-01-2022	15-11-2021	51	Due to lack of KYC Documents of 1 employee
12A	Feb-22	07-04-2022	15-03-2022	23	Due to lack of KYC Documents of 1 employee
12A	Jun-22	04-08-2022	15-07-2022	20	Due to lack of KYC Documents of 1 employee
12A	Sep-22	03-11-2022	15-10-2022	19	Due to lack of KYC Documents of 1 employee
12A	Nov-22	04-01-2023	15-12-2022	20	Due to lack of KYC Documents of 1 employee
12A	Jan-23	03-03-2023	15-02-2023	16	Due to lack of KYC Documents of 1 employee
12A	Apr-23	07-06-2023	15-05-2023	23	Due to lack of KYC Documents of 1 employee
12A	Jun-23	03-08-2023	15-07-2023	19	Due to lack of KYC Documents of 1 employee
12A	Jul-23	07-09-2023	15-08-2023	23	Due to lack of KYC Documents of 1 employee
12A	Apr-24	06-06-2024	15-05-2024	22	Due to lack of KYC Documents of 1 employee
12A	May-24	07-07-2024	15-06-2024	22	Due to lack of KYC Documents of 1 employee
12A	Jul-24	08-09-2024	15-08-2024	24	Due to lack of KYC Documents of 1 employee

Our company has filed all the GST, EPFO, ESIC and P. Tax returns as mentioned above and in some cases with delay and regularised the same. However, it cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

- 28. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses in timely manner or comply with such rules and regulations or at all may adversely affect our operations.**

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead

to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “*Key Regulations and Policies*” and “*Government and Other Key Approvals*” at pages 103 and 176 respectively of this Draft Prospectus.

**29. *An inability to renew quality accreditations in a timely manner or at all, or any deficiencies in the quality of our products may adversely affect our business prospects and financial performance.***

We obtain and maintain quality certifications and accreditations from independent certification entities and also comply with prescribed specifications and standards of quality approved by the Government in connection with the products we manufacture. Such specifications and standards of quality is an important factor in the success and wide acceptability of our products. If we fail to comply with applicable quality standards or if the relevant accreditation institute or agency declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, in a timely manner or at all, our business prospects and financial performance will be materially and adversely affected.

**30. *If we are unable to manage our growth effectively or if our estimates or assumptions used in developing our strategic plan are inaccurate or we are unable to execute our strategic plan effectively, our business and prospects may be materially and adversely affected.***

Our revenue and our business operations have grown in recent years. Although we plan to continue to expand our scale of operations, we may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to retain, maintain & enter into new MOUs / agreements, our ability to maintain customer satisfaction, our ability to mobilise sufficient working capital, macroeconomic factors beyond our control such as decline in global economic conditions, competition with other players in the organized and unorganized segments, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business operations.

Our development and expansion strategies will require substantial managerial efforts and skills and the incurrence of additional expenditures may subject us to new or increased risks. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations, and any failure to do so may limit future growth and have an adverse effect on our business. Further, our strategy to improve our debt – equity ratio may not materialize in the manner we intend to, and we may be required to obtain additional debt to meet immediate capital requirements, resulting in unfavorable ratios.

Also, the fund requirement and deployment for our strategies are based purely on management estimates and assumptions considering the current market scenario and are subject to revision in the light of changes in external circumstances or costs. If we are unsuccessful in executing our strategic plan, or if the underlying estimates or assumptions used to develop our strategic plan are materially inaccurate, our business and financial condition would have an adverse impact.

**31. *Upon completion of the Issue, our Promoters / Promoter Group may continue to retain significant control, which will allow them to influence the outcome of matters submitted to the shareholders for approval.***

After completion of the Issue, our Promoters and Promoter Group will collectively own 60.56% of the total post issue Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring any strategic decision favourable to the Company or effecting a change in control of our Company for the betterment of the stakeholders.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**32. Certain relevant copies of educational qualification and experience certificates of our promoters/Directors are not traceable.**

Some of our Directors/Promoter have been unable to trace copies of documents pertaining to their educational qualifications and prior professional experiences. Accordingly, reliance has been placed on signed resume, declarations, undertakings and affidavits furnished by these Directors/Promoters to the Lead Manager to disclose details of their educational qualifications and professional experience in this Draft Prospectus. Accordingly, the Lead Manager has been unable to independently verify these details prior to inclusion in this Draft Prospectus. Further, there can be no assurances that our Directors/Promoters will be able to trace the relevant documents or provide accurate and complete details pertaining to the above information in the future, or at all.

**33. We have issued Equity Shares in the last 12 (twelve) months at a price which is lower than the Issue Price.**

During the last 12 (twelve) months, we have issued Equity Shares at a price that is lower than the Issue Price, as set forth below.

Date of Issue	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Allotment
12-12-2023	34,12,460	10/-	Nil	Bonus Issue

The price at which Equity Shares have been issued by our Company in the immediately preceding one year is not indicative of the Issue Price at which the Equity Shares shall be issued and traded (subsequent to listing). For further details regarding such allotments, see “*Capital Structure*” on page 56 of this Draft Prospectus.

**34. Our success depends heavily upon our Promoters and Directors for their continuing services, strategic guidance and financial support.**

Our success depends heavily upon the continuing services of Promoters & Directors who are the natural person in control of our Company. Our Promoters have a vast experience in the field of Manpower Services. They have established cordial relations with various customers over the past several years, which have immensely benefitted our Company’s current customer relations. We believe that our relation with our Promoters, who have rich experience the industry, managing customers and handling overall businesses, has enabled us to experience growth and profitability. We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Further, our Promoters are also part of certain other ventures and may continue to do so. If they divert their attention to such other concerns, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our Promoters or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business.

**35. In addition to normal remuneration, other benefits and reimbursement of expenses our directors (including our Promoter) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.**

Some of our Directors (including our Promoters) and Key Management Personnel may be interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration, incentives or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Promoters & our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Promoters and Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Promoters and Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects. For further details of our transactions or interests of our promoters / promoter group, please refer the chapters titled “*Capital Structure*” and “*Financial Information as Restated*” beginning on page no’s 50 and 139 respectively, of this Draft Prospectus.



**36. *Our operations are subject to high working capital requirements. If we are unable to generate sufficient cash flows to allow us to make required payments, there may be an adverse effect on our results of operations.***

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors, and cash and cash equivalents. We have been sanctioned financing facilities of ₹ 90.57 lakhs from HDFC Bank (including Cash Credit, Working Capital Term Loan, GECL). Our inability to maintain sufficient cash flow, credit facility and other sources of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have high outstanding amount due from our debtors which may result in a high risk in case of non-payment by these debtors. In case of any such defaults from our debtors, it may affect our business operations and financials.

Further, any failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the Banks/financial institutions extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents from certain lenders include, amongst others, (a) to undertake any new projects scheme unless expenditure on such expansion is covered by the Company's net cash accruals, (b) permit or effect any direct or indirect change in the legal or beneficial ownership or control, (c) Change in our Company's Memorandum or Articles of Association and composition and constitution and (d) effect any material change in the management of the business of our Company.

While we have received all relevant consents required for the purposes of this Offer and have complied with these covenants, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time. While we have not defaulted on any covenants in financing agreements in the past, we cannot assure you that this will continue to be the case in the future. A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers, constitute defaults under the relevant financing agreements and will entitle the respective lenders to declare a default against us and enforce remedies under the terms of the financing agreements, that include, among others, acceleration of amounts due under such facilities, enforcement of any security interest created under the financing agreements and taking possession of the assets given as security in respect of the financing agreements. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. For further information on our borrowings, see "**Financial Indebtedness**" on page 162 of Draft Prospectus.

**37. *Our success depends largely on our Directors, Promoters and other key managerial personnel and the loss of or our inability to attract or retain such persons with specialized technical know-how could adversely affect our business, results of operations, cash flows and financial condition.***

Our performance depends largely on the efforts and abilities of our Directors, Promoters and other key personnels. We believe that the inputs and experience of our Directors, Promoters and key managerial personnel are valuable for the development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business and our results of operations. The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operations and financial condition.

**38. *We may need to change our pricing models to compete successfully.***

The intense competition we face in our businesses, and general economic and business conditions can put pressure on us to reduce our prices. If our competitors offer deep discounts on certain services, we may need to lower prices or offer other favourable terms in order to compete successfully. Any such changes may reduce margins and could adversely affect our operating results.

Any broad-based change to our prices and pricing policies could cause our revenues to decline or be delayed as a result of our clients adjusting to the new pricing policies. Some of our competitors may bundle services for promotional purposes or as a long-term pricing strategy and provide best price guarantees. These practices could, over time, significantly constrain the prices that we can charge for certain of our services. If we do not adapt our pricing models to reflect changes in clients' use of our services or changes in customer demand, our revenues could decrease.

**39. We share our Registered Office with our Group Company**

Our Registered Office situated at 91 Springboard Gopala Krishna, Complex no 45/3 Residency Rd MG Rd, Museum Road, Bangalore, Bangalore North, Karnataka, India, 560025 which has been taken on rent basis from 91 Springboard Business Hub Private Limited. However, this office premise is also being shared by our Group Company M/s. Lanquill Edtech Private Limited. As a result of having the same registered office, there may be confusion related to the receipt of documents and notices, which may further lead to miscommunications, loss of documents and conflicts of interests.

**40. Our Group Entity has incurred losses in the past and may incur losses in the future.**

Our Group Company M/s. Lanquill Edtech private Limited has incurred losses in the preceding three fiscals. The details of net worth and profit/loss of such Group Company for the preceding three fiscals are as follows:

Particulars	₹ in lakhs		
	31.03.2024	31.03.2023	31.03.2022
Net Worth	(51.49)	63.81	#
Total Turnover	17.97	20.73	
Profit after Tax	(115.29)	(42.18)	

# Lanquill Edtech Private Limited was incorporated during FY 2022-23 i.e. 18/08/2022

We cannot assure you that our Group Company will not incur losses in the future. This may lead to reputational loss or decline in our overall profitability. For further details on the financial information of our Group Companies, see “**Our Group Entities**” on page 136 of this Draft Prospectus.

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

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, 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.

**42. We could be harmed by employee misconduct, errors or fraud that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation**

We are executing several assignments in India and abroad. Employee misconduct, errors or fraud could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. Even though, we have not suffered due to employee misconduct in the past. There can be no assurance that we will be able to detect or deter any misconduct of our employee or manpower deployed at various site/location. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**43. 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.**

Our ability to pay dividends in the future will depend upon a variety of factors such as future earnings, financial condition, cash flows, working capital requirements, and restrictive covenants in our financing arrangements. Our Company has paid dividends in past and till now but there can be no assurance that we will pay dividends in future. Our ability to pay dividends in the future will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders, or at all. Our ability to pay dividends could also be restricted under the existing or certain financing arrangements that we may enter into. For details of our dividend history, see “**Dividend Policy**” on page 138 of this draft prospectus.

**44. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.**

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees

will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

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

Our Promoters and Directors have provided personal guarantees to secure a significant portion of our existing borrowings, and may post listing continue to provide such guarantees and other security. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter and Directors may be invoked, which could negatively impact the reputation of our Company. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoters and Directors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Also, if our Promoters and Directors revoke their personal guarantees and we may not be successful in procuring alternate guarantees and property satisfactory to the lenders, as a result we may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer **“Financial Indebtedness”** on page no. 200 of this Draft Prospectus.

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

The company’s operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company’s control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial conditions may be adversely affected by, inter alia, a decrease in the growth and demand for the products and services offered by us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable. For further details of our operating results, section titled **“Financial Statements as Restated”** beginning on Page 169 of this Draft Prospectus.

**47. *Our debt financing agreements contain certain restrictive covenants that may adversely affect our Company’s business, credit ratings, prospects, results of operations and financial condition.***

Certain debt financing agreements that our Company has entered into contain restrictive covenants that limit our ability to undertake certain types of transactions. Under our debt financing agreements our Company is required to maintain certain financial covenants.

There can be no assurance that our Company has complied with all such restrictive covenants in a timely manner or at all or that we will be able to observe compliance with all such restrictive covenants in the future. A failure to observe the restrictive covenants under our debt financing agreements may result in termination of our financing agreements, levy of default interest, acceleration of all amounts due under such facilities and the enforcement of any security provided in relation thereto. Any acceleration of amounts due under such debt financing agreements may trigger cross-default or cross-acceleration provisions under other debt financing agreements, which may compel us to dedicate a substantial portion of our cash flow from operations or sell certain assets to make such payments thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, in the event of any of the circumstances coming into effect our business, prospects, results of operations and financial condition may be adversely affected.

**48. *We have not made any alternate arrangements for meeting our regular working capital requirements. If we are unable to manage/arrange funds (including at short notice) to meet our working capital requirements, there may be an adverse effect on our results of operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our working capital requirements, other than the existing sanctioned limits. Our business requires a significant amount of working capital for employee benefit expenses before payments are received from customers. We cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under budget for our working capital requirements, in which case there may be delays in arranging the additional working capital requirements, which

may delay the execution of projects leading to loss of reputation, levy of liquidated damages, and an adverse effect on the cash flows. If we experience insufficient cash flows or are unable to borrow funds on a timely basis or at all to meet the working capital requirements, there may be an adverse effect on our results of operations. We may also be subject to fluctuations of interest rates for our financing. If we are unable to secure financing at favourable rates for this purpose, our ability to secure larger-scale projects will be impeded and our growth and expansion plans will be materially and adversely affected which in turn will materially and adversely affect our future financial performance.

Our indebtedness is secured by charges over Book Debts etc. If we are unable to repay or refinance our outstanding indebtedness, or if we are unable to obtain additional financing on terms acceptable to us, we may be unable to implement our growth strategy, and our business, prospects, financial condition, and results of operations may be adversely affected.

**49. *In addition to our existing indebtedness for our operations, we may be required to obtain further loan during the course of business. There can be no assurance that we would be able to service our existing and/or additional indebtedness.***

In addition to our existing indebtedness for our existing operations we may be required to raise further debt in the form of term loans and working capital loans in the course of business. Increased borrowings, if any, would adversely affect our debt-equity ratio and our ability to further borrow at competitive rates. Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements could lead to a termination of one or more of our credit facilities, trigger cross default provisions, penalties and acceleration of amounts due under such facilities which may adversely affect our business, financial condition and results of operations. For further details of our indebtedness, please refer to the chapter titled “*Financial Indebtedness*” on page 162 of this Draft Prospectus.

**50. *Managing employee benefit pressures in India may prevent us from sustaining our competitive advantage which could adversely affect our business prospects and future financial performance.***

Employee benefits represent a major expense for us and our ability to maintain or reduce such costs is critical for our business operations. We may be required to increase employee compensation levels to remain competitive and manage attrition, and consequently we may need to increase the prices of our products and services. An increase in wages/salaries paid to our employees may result in a material adverse effect on our profits in the event that we are unable to pass on such increased expenditure to our users or customers without losing their business to our competitors. Likewise, if we are unable to sustain or increase the number of employees as necessary to meet growing demand, our business, financial condition and results of operations could be adversely affected.

**51. *Major fraud, lapses of internal control or system failures could adversely impact the company’s business.***

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company’s operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

**52. *Industry information included in this draft prospectus has been derived from industry reports. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have relied on the industry reports derived from [www.ibef.org](http://www.ibef.org) and other sources for purposes of inclusion of such information in this draft prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this draft prospectus.

53. ***Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 63 of this Draft Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use entire Issue Proceeds towards meeting the working capital requirement and general corporate purpose. We intend to deploy the Net Issue Proceeds in financial year 2024-25 and next years and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “*Objects of the Issue*” beginning on page 63 of this Draft Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “*Objects of the Issue*” beginning on page 63 of this Draft Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue.

54. ***We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.***

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to a significant extent by working capital debt facilities and increases in interest rate (and consequent increase in the cost of servicing such debt) may have an adverse effect on our results of operations and financial condition. Our current debt facilities carry interest at variable rates as well as fixed rates. Although we may in the future engage in interest rate hedging transactions from time to time, there can be no assurance that these agreements will protect us adequately against interest rate risks.

55. ***Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute 15.54% of the Issue Proceed.***

As on date, we have not identified the use of such funds. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes of ₹ 174.53 lakhs which constitute 15.54% of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time. For details, please refer the chapter titled “*Objects of the Issue*” beginning on Page No. 69 of this Draft Prospectus.

56. ***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.***

Since the Issue size is less than Rs. 10,000.00 Lakh, there is no mandatory requirement of appointing an independent monitoring agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

57. ***Excessive dependence on HDFC Bank Limited in respect of Loan facilities obtained by our Company.***

Our company has been sanctioned significant portion of credit facilities by HDFC Bank Limited. The Company is dependent on such facility for its fund and non-fund based limits and other funding requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

58. ***Some of the KMPs is associated with our company for less than one year.***

Our Chief Financial Officer and Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter “*Our Management*” beginning on page 146 of this Draft Prospectus.



## B. Issue Related Risks

### 59. *The requirements of being a public listed company may strain our resources and impose additional requirements.*

We have no experience as a public listed company or with the increased scrutiny of its affairs by shareholders, regulators and the public at large that is associated with being a public listed company. As a public listed company, we will incur significant legal, accounting, corporate governance, and other expenses that we did not incur as a unlisted company. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange which require us to file unaudited financial results on a half-yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, our management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

### 60. *In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.*

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter "**Objects of the Issue**" on page 69 of this Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

### 61. *There is no guarantee that our Equity Shares will be listed on the SME Platform of BSE Limited in a timely manner or at all.*

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the SME Platform of BSE Limited within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

### 62. *The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.*

The Issue price is based on numerous factors and may not be indicative of the market price for our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that you will be able to resell your Shares at or above the Issue Price. Among the factors that could affect our Share price are: variations in the rate of growth of our financial indicators, such as earnings per share, net profit and income; changes in income or earnings estimates or publication of research reports by analysts; speculation in the press or investment community; general market conditions; and domestic and international economic, legal and regulatory factors unrelated to our performance.

### 63. *After this Issue, the price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not be sustained.*

Prior to this Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained upon the completion of this Issue. The initial public offering price of the Equity Shares offered hereby was determined through our negotiations with the LM and may not be indicative of the market price of the Equity Shares after this Issue. The market price of our Equity Shares after this Issue will be subject to significant fluctuations in response to, among other factors:

- variations in our operating results and the performance of our business;
- regulatory developments in our target markets affecting us, our customers, or our competitors;
- changes in financial estimates by securities research analysts;

- addition or loss of executive officers or key employees;
- loss of one or more significant customers;
- the performance of the Indian and global economy;
- significant developments in India's economic liberalization and deregulation policies, and the fiscal regime;
- volatility in the Indian and global securities markets;
- performance of our competitors and perception in the Indian market about investment in our industry; and
- adverse media reports, if any, on our Company, or the industry.

Many of these factors are beyond our control. There has been recent volatility in the Indian stock markets and our share price could fluctuate significantly as a result of such volatility in the future. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

**64. *The investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

We have applied to BSE Limited to use its name as the Stock Exchange in this offer document for listing our shares on the SME Platform of BSE Limited. In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Offer 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 issuing of Equity Shares to be submitted. There could be a delay in listing the Equity Shares on the SME Platform of BSE Limited. Any delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**65. *There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

**66. *Any future issuance of Equity Shares may dilute the investors' shareholdings or sales of our Equity Shares by our Promoters or Promoter Group may adversely affect the trading price of our Equity Shares.***

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

**67. *The Investors may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.***

Under the current Indian Income Tax provisions, all transactions of purchase and sales of securities on Indian stock exchanges are subject to levy of securities transaction tax (STT) which will be collected by respective stock exchange on which the securities are transacted. Accordingly, the Indian Income Tax Act has special capital gains tax provisions for all transactions of purchase and sale of equity shares carried out on the Indian Stock Exchanges. Under the current Indian Income Tax provisions, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India.

**68. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI (ICDR) Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**69. *Foreign investors may be restricted in their ability to purchase or sell Equity Shares.***

Under 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 and reporting requirements specified by the RBI or in the alternate, the pricing is in compliance with the extant provisions of SEBI ICDR Regulations. If the transfer of shares is not in compliance with such pricing or reporting requirements and does not 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 Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all.

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

The Companies Act and related regulations, the Articles of Association, and the Listing Agreements to be entered into with the Stock Exchange govern the corporate affairs of the Company. The Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder than as a shareholder of a corporation in another jurisdiction.

**71. *The investors may be restricted in their ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of their ownership position.***

Under the Companies Act, 2013, a Company incorporated in India must offer its holders of shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares which are voted on the resolution. However, if the law of the jurisdiction the investors are in does not permit them to exercise their pre-emptive rights without us filing an offering document or registration statement with the applicable authority in the jurisdiction they are in, they will not be able to exercise their pre-emptive rights unless we make such a filing. If we elect not to make such a filing, the new securities may be issued to a custodian, who may sell the securities for the investors' benefit. The value such custodian would receive upon the sale of such securities if any, and the related transaction costs cannot be predicted. To the extent that the investors' are unable to exercise pre-emptive rights granted in respect of the Equity Shares, their proportional interest in us would be reduced.

**72. *Our Equity Shares are quoted in Indian Rupees in India, and therefore investors may be subject to potential losses arising out of exchange rate risk on the Indian Rupee and risks associated with the conversion of Indian Rupee proceeds into foreign currency.***

Investors are subject to currency fluctuation risk and convertibility risk since the Equity Shares are quoted in Indian Rupees on the Indian stock exchanges on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees. The volatility of the Indian Rupee against the U.S. dollar and other currencies subjects investors who convert funds into Indian Rupees to purchase our Equity Shares to currency fluctuation risks.

### **EXTERNAL RISK FACTORS**

**73. *The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.***

In late 2019, COVID-19 emerged and by March 11, 2020 was declared a global pandemic by The World Health Organization. Governments and municipalities around the world instituted measures in an effort to control the spread of COVID-19, including quarantines, shelter-in-place orders, school closings, travel restrictions, lock down of cities and closure of non-essential businesses. By the end of March, the macroeconomic impacts became significant, exhibited by, among other things, a rise in unemployment and market volatility. The outbreak of COVID-19 in many countries, including India, the United Kingdom and the United States, has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown and no prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our clients and service providers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our clients, and those of our respective service providers. There is currently substantial medical uncertainty regarding COVID-19. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company. The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including: the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the impact on our capital expenditure; disruptions or restrictions on our employees' and suppliers' ability to work and travel; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans, and resultant operational risk.

**74. *A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition and cash flows.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the country in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports of materials, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margin.

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

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to “**Key Industry Regulations and Policies**” on page 132 of this Draft Prospectus for details of the laws currently applicable to us.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Our Company will comply with relevant regulations as and when applicable. However, any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge being collected by the central and state governments. The GST has led to increase tax incidence and administrative compliance. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules (“GAAR”) provisions have been made effective (from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards) and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

**76. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients or that our revenue will increase proportionately



corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

- 77. *We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards (“IFRS”). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.***

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the “IFRS Convergence Note”). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders’ equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

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

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

- 79. *Financial difficulty and other problems in certain long-term lending institutions and investment institutions in India could have a negative impact on our business.***

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is referred to as “systemic risk,” may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Our transactions with these financial institutions expose us to credit risk in the event of default by the counter party, which can be exacerbated during periods of market illiquidity. As the Indian financial system operates within an emerging market, we face risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions and banks. This in turn could adversely affect our business, financial condition, results of operations and cash flows.

- 80. *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.

- 81. *Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company’s business could cause its results of operations to suffer. Any significant change in India’s economic policies could disrupt business and economic conditions in India generally and the Company’s business in particular.

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

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

## SECTION IV: INTRODUCTION

### THE ISSUE

This Initial Public Offer has been authorized pursuant to a resolution of our Board of Directors held on August 09, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extra Ordinary General Meeting of the members held on August 12, 2024.

The following is the summary of the Issue:

PARTICULARS	DETAILS
<b>Present Issue <sup>(1)</sup></b>	Up to <b>11,23,200</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹100/- per Equity Share aggregating to ₹ <b>1,123.20</b> Lakhs.
<b>Out of which:</b>	
Market Maker Reservation Portion	Up to <b>56,400</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹100/- per Equity Share aggregating to ₹ <b>56.40</b> Lakhs.
Net Issue to the Public <sup>(2)</sup>	Up to <b>10,66,800</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹100/- per Equity Share aggregating to ₹ <b>1,066.80</b> Lakhs.
<b>Out of which:</b>	
Allocation to Retail Individual Investors for <b>up to Rs. 2.00 lakh</b>	<b>5,34,000</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹100/- per Equity Share aggregating to ₹ <b>534.00</b> Lakhs.
Allocation to other investors for <b>above Rs. 2.00 lakh</b>	<b>5,32,800</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹100/- per Equity Share aggregating to ₹ <b>532.80</b> Lakhs.
<b>Pre- and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	<b>28,89,504</b> Equity Shares having face value of ₹10/- each
Equity Shares outstanding after the Issue*	<b>40,12,704</b> Equity Shares having face value of ₹10/- each
<b>Objects of the Issue</b>	Please refer to the section titled “ <b>Objects of the issue</b> ” beginning on page no. 69 of this draft prospectus.
<b>Issue Opens on</b>	[●]
<b>Issue Closes on</b>	[●]

\*Assuming Full Allotment

<sup>(1)</sup> The present Issue is being made by our Company in terms of Regulation 229(1) of the SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up equity share capital of our Company are being offered to the public for subscription

<sup>(2)</sup> This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

(a) Minimum 50% to the Retail individual investors; and

(b) remaining to:

- i. individual applicants other than retail individual investors; and
- ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

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

**Explanation:** For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details, kindly refer the chapter titled “**Terms of the Issue**” beginning on page 229 of this draft prospectus.

**SUMMARY OF FINANCIAL INFORMATION**
**STATEMENT OF STANDALONE ASSETS & LIABILITIES, AS RESTATED**

Particulars	Note No.	As on (Rs. In Lakhs)		
		31-03-2024	31-03-2023	31-03-2022
<b>I. EQUITY &amp; LIABILITIES</b>				
<b>(1) Shareholders Fund</b>				
a) Share capital	I.1	32.11	32.11	32.11
b) Reserves and surplus	I.2	481.71	265.18	181.29
c) Money received against share warrants		-	-	-
<b>Total Shareholder's Fund</b>		<b>513.81</b>	<b>297.29</b>	<b>213.40</b>
<b>(2) Share application money pending allotment</b>		-	-	-
<b>(3) Non-Current Liabilities</b>				
a) Long-Term Borrowings	I.3	-	7.39	74.40
b) Deferred Tax Liability (Net)	I.4	-	-	7.98
c) Other Long Term Liabilities	I.5	-	-	-
d) Long Term provisions	I.6	40.57	22.17	18.16
<b>Total Non Current Liabilities</b>		<b>40.57</b>	<b>29.56</b>	<b>100.54</b>
<b>(4) Current Liabilities</b>				
a) Short Term Borrowings	I.7	14.59	40.00	40.65
b) Current Maturity of Long Term Borrowings	I.8	7.04	11.12	11.26
b) Trade Payables				
- total outstanding dues of MSME; and	I.9			
- total outstanding dues of creditors other than MSME		13.92	38.54	4.94
c) Other Current Liabilities	I.10	12.76	43.70	39.86
d) Short Term Provisions	I.11	18.33	3.56	-
<b>Total Current Liabilities</b>		<b>66.64</b>	<b>136.91</b>	<b>96.71</b>
<b>Total Equity &amp; Liability</b>		<b>621.01</b>	<b>463.76</b>	<b>410.65</b>
<b>II. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
<b>a) Fixed Assets</b>				
(i) Property, Plant and Equipments	I.12	1.45	2.46	1.60
(ii) Intangible Assets		-	-	257.55
(iii) Capital Work-In-Progress		-	-	-
(iv) Intangible assets under development		-	-	-
<b>Total Fixed Assets</b>		<b>1.45</b>	<b>2.46</b>	<b>259.15</b>
b) Non - current Investments	I.13	0.43	-	-
c) Deferred Tax Assets (Net)	I.4	14.66	5.73	-
d) Long Term Loans and Advances	I.14	-	-	-
e) Other Non- current Assets	I.15	62.13	137.02	1.92
<b>Total Non Current Assets</b>		<b>77.22</b>	<b>142.75</b>	<b>1.92</b>
<b>(2) Current assets</b>				
a) Current investments	I.16	-	-	-
b) Inventories	I.17	-	-	-
c) Trade Receivables	I.18	251.76	176.72	80.87
d) Cash and Cash Equivalents balances	I.19	42.01	90.80	43.77
e) Short Term Loans and advances	I.20	73.04	14.04	24.94
f) Other Current Assets	I.21	175.52	36.99	-
<b>Total Current Assets</b>		<b>542.33</b>	<b>318.55</b>	<b>149.58</b>
<b>Total Assets</b>		<b>621.01</b>	<b>463.76</b>	<b>410.65</b>

For further details, kindly refer the chapter titled "Financial statement as Restated" beginning on page 169 of this Draft prospectus.

## STATEMENT OF STANDALONE PROFIT &amp; LOSS, AS RESTATED

Particulars	Note No.	For the Period/Year ended on (Rs. In lakhs)		
		31-03-2024	31-03-2023	31-03-2022
<b>Income</b>				
Revenue from Operations	II.1	1,067.78	785.29	488.01
Other Income	II.2	20.80	14.00	0.81
<b>Total Income</b>		<b>1,088.58</b>	<b>799.29</b>	<b>488.82</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.3	-	-	-
Purchase of Stock-in-Trade	II.4	-	-	-
Change in Inventories	II.5	-	-	-
Employee Benefit Expenses	II.6	507.51	386.30	294.67
Other Expenses	II.7	256.34	239.77	102.36
<b>Total Expenses</b>		<b>763.85</b>	<b>626.07</b>	<b>397.04</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>324.74</b>	<b>173.22</b>	<b>91.78</b>
Depreciation & Amortisation Expenses	I.12	1.01	0.68	18.07
<b>Profit Before Interest and Tax</b>		<b>323.73</b>	<b>172.54</b>	<b>73.71</b>
Financial Charges	II.8	4.77	10.72	10.53
<b>Profit before Taxation</b>		<b>318.96</b>	<b>161.82</b>	<b>63.19</b>
Provision for Taxation	II.9	91.37	43.21	10.74
Provision for Deferred Tax		(8.93)	(13.71)	5.38
<b>Total</b>		<b>82.44</b>	<b>29.51</b>	<b>16.12</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>236.52</b>	<b>132.31</b>	<b>47.07</b>
Extraordinary Items - Loss on Business Transfer		-	(48.42)	-
Profit Attributable to Minority Shareholders		-	-	-
<b>Net Profit after adjustments</b>		<b>236.52</b>	<b>83.89</b>	<b>47.07</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>236.52</b>	<b>83.89</b>	<b>47.07</b>

For further details, kindly refer the chapter titled “Financial statement as Restated” beginning on page 169 of this Draft prospectus.



## STATEMENT OF STANDALONE CASH FLOW, AS RESTATED

PARTICULARS	For the Period/Year ended on (Rs. In lakhs)		
	31-03-2024	31-03-2023	31-03-2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax as per Profit & Loss A/c	318.96	113.40	63.19
Adjusted for :			
a. Depreciation	1.01	0.68	18.07
b. Interest Expenses & Finance Cost	4.77	10.72	10.53
c. Other Adjustments	-	-	-
d. Interest & Other Income	(20.63)	(11.99)	(0.10)
e. Unrealised foreign exchange (gain)/loss	(0.10)	0.55	0.11
f. Provision for Gratuity	18.39	4.02	11.68
g. Provision for Leave encashment	13.78	-	-
h. Bad debt written off	0.89	9.25	3.77
<b>Operating profit before working capital changes</b>	<b>337.07</b>	<b>126.62</b>	<b>107.24</b>
Adjusted for :			
a. Decrease /(Increase) in Inventories	-	-	-
b. Decrease / ( Increase ) in trade receivable	(75.83)	(105.66)	(4.78)
c. ( Increase ) / Decrease in short term loans and advances	(59.00)	10.90	(6.34)
d. Increase / ( Decrease ) in Trade Payables	(24.62)	33.59	7.59
e. Increase / (Decrease) in short term provisions	-	-	-
f. Increase / ( Decrease ) in other current liabilities	(30.94)	3.84	(13.17)
g. ( Increase ) / Decrease in Other Current Assets	(138.53)	(36.99)	(0.10)
<b>Cash generated from operations</b>	<b>(328.92)</b>	<b>(94.33)</b>	<b>(16.80)</b>
Net Income Tax (Paid)/Refund	(91.84)	(40.70)	(10.74)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>(83.69)</b>	<b>(8.41)</b>	<b>79.70</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITES</b>			
a. (Purchase) Sale of Fixed Assets	-	256.01	(23.43)
b.( Purchase) / Sale of non-current investment	(0.43)	-	-
c. ( Increase ) / Decrease in Long term loans and advances	-	-	-
d. Increase / ( Decrease ) in Long Term Provisions	-	-	-
e. ( Increase ) / Decrease in Other Non Current Assets	74.89	(135.10)	-
f. (Increase) in Misc. Expenses	-	-	-
g. Interest & Other Income	20.63	11.99	0.10
h. Decrease / ( Increase ) in Current Investments	-	-	-
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>95.09</b>	<b>132.91</b>	<b>(23.33)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITES</b>			
a. Interest & Finance Cost	(3.30)	(9.67)	(10.53)
b. Proceeds from share issued including Premium	-	-	61.01
c. ( Repayments ) / proceeds of long term borrowings	(11.47)	(67.15)	36.45
d. ( Repayments ) / proceeds of short term borrowings	(25.41)	(0.65)	(130.21)
e. Dividend paid	(20.00)	-	-
f. Investment	-	-	-
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>(60.19)</b>	<b>(77.47)</b>	<b>(43.28)</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>(48.79)</b>	<b>47.03</b>	<b>13.10</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>90.80</b>	<b>43.77</b>	<b>30.67</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>42.01</b>	<b>90.80</b>	<b>43.77</b>

For further details, kindly refer the chapter titled “Financial statement as Restated” beginning on page 169 of this Draft prospectus.

## SECTION V: GENERAL INFORMATION

### GENERAL INFORMATION

Our Company was originally incorporated as a Private Limited Company in the name of “*Netanalytiks Technologies Private Limited*” on January 12, 2015 under the provisions of the Companies Act, 2013 bearing Corporate Identification Number U74900KA2015PTC078233 issued by the Registrar of Companies - Bangalore. Subsequently, our company was converted into Public Limited Company under the provisions of the Companies Act, 2013 and the name of our Company was changed to “*Netanalytiks Technologies Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated August 08, 2024 bearing Corporate Identification Number U74900KA2015PLC078233 issued by the Registrar of Companies - Bangalore. For further details of change in name and registered office of our Company, please refer to section titled “*Our History and Certain Corporate Matters*” beginning on page no 140 of the Draft Prospectus.

Brief of Company and Issue Information	
<b>Registered &amp; Corporate Office</b>	<b>Netanalytiks Technologies Limited</b> 91 Springboard Gopala Krishna, Complex no 45/3 Residency Rd MG Rd, Museum Road, North Bangalore, Karnataka India, 560025 <b>Tel No:</b> +91 9620555571 <b>Email:</b> cs@netanalytiks.com <b>Website:</b> www.netanalytiks.com
<b>Date of Incorporation</b>	January 12, 2015
<b>Corporate Identification Number</b>	U74900KA2015PLC078233
<b>Company Category</b>	Company Limited by Shares
<b>Company Subcategory</b>	Indian Non-Government Company
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies - Bangalore</b> E Wing, 2 <sup>nd</sup> Floor, Kendriya Sadan, Santhoshapuram, Kudremukh Colony, Koramangala, Bengaluru, Karnataka-560034.
<b>Designated Stock Exchange<sup>^</sup></b>	BSE Limited, SME Platform of BSE Limited (“BSE SME”) P.J. Towers, Dalal Street, Mumbai – 400 001
<b>Company Secretary and Compliance Officer</b>	<b>Mr. Kodlu Ramakrishna Abhijith</b> <b>Netanalytiks Technologies Limited</b> 91 Springboard Gopala Krishna, Complex no45/3 Residency Rd MG Rd, Museum Road, Bangalore North, Karnataka, India, 560025. <b>Contact No:</b> + 91 9880458806 <b>Email ID:</b> cs@netanalytiks.com <b>Website:</b> www.netanalytiks.com
<b>Chief Financial Officer</b>	<b>Mrs. Sangita Ullala</b> <b>Netanalytiks Technologies Limited</b> 91 Springboard Gopala Krishna, Complex no45/3 Residency Rd MG Rd, Museum Road, Bangalore North, Karnataka, India, 560025. <b>Contact No:</b> + 91 9620555572 <b>Email ID:</b> cfo@netanalytiks.com <b>Website:</b> www.netanalytiks.com
<b>Peer Review / Statutory Auditor of the company</b>	<b>M/s. Vishnu Daya &amp; Co. LLP</b> No. 337, Karuna Complex, GF 7 & 3 <sup>rd</sup> Floor, Sampige Road, Malleshwaram, Bengaluru, Karnataka 560003. <b>Contact Person:</b> Hariprasad P <b>Email ID:</b> hariprasad@vishnudaya.com <b>Contact No.:</b> + 91 9740063945 <b>Designation:</b> Partner <b>Membership No.:</b> 219987 <b>Firm Registration No:</b> 008456S/S200092 <b>Peer Review Certificate No:</b> 015408, Valid up to 31.05.2026

<sup>^</sup> In compliance with Regulation 230(1)(a) of SEBI (ICDR) Regulation, 2018, we have made an application to SME Platform of BSE Limited only for listing of our equity shares.

### Board of Directors of Our Company

Our Company's Board comprises of the following Directors:

Sl. No.	Name of the Director	DIN	Current Designation	Address
1	Shankara Anantharamaiah Chilkunda	07005503	Managing Director	Flat No. 4065, Maple Block, Sobha Forest View, Vajarahalli Main Road Off Kanakapura Road, Thalaghattapura, Karnataka-560109.
2	Lakshminarayana Ullala	07005391	Whole-time Director	436, 10 <sup>th</sup> Cross, R H C S Layout Annapoorneshwari Nagar, Bangalore North, Karnataka-560091.
3	Kalyani Arudi Rudrappa	10555033	Non-executive Director	661, First Floor, 6 Main, 11 Cross Road, Near Hospitec Hospital, A E C S Layout A Block, Kudlu, Bengaluru, Karnataka-560068.
4	Hirahal Subramanyam Phaniraj	05183206	Independent Director	346 1 <sup>st</sup> Floor, 9 <sup>th</sup> Main 1 <sup>st</sup> Cross, Behind Kaggis Bakery, Hanumanthanagar Bengaluru, VTC: Bangalore South, PO. Gaviopuram Extension, District: Bengaluru, State: Karnataka, PIN: 560019.
5	Nikhil Dokania	08144861	Independent Director	B-501 Pratham Heights, divine Life International School, Kamava-3, Narol, Ahmedabad, Gujarat-382405.

For further details of the Board of Directors, please refer to the Section titled "**Our Management**" on page no. 146 of this draft prospectus.

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

LEAD MANAGER	REGISTRAR TO THE ISSUE
<b>FINSHORE MANAGEMENT SERVICES LIMITED</b> 'Anandlok', Block-A, 2 <sup>nd</sup> Floor, Room No. 207, 227 A.J.C Bose Road, Kolkata-700020, West Bengal, India <b>Telephone:</b> 033 – 2289 5101 / 4603 2561 <b>Email:</b> info@finshoregroup.com <b>Website:</b> www.finshoregroup.com <b>Investor Grievance Email:</b> <a href="mailto:investors@finshoregroup.com">investors@finshoregroup.com</a> <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185 <b>CIN:</b> U74900WB2011PLC169377	<b>INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED</b> No 30, Ramana Residency, 4 <sup>th</sup> Cross, Sampige Road, Malleswaram, Bengaluru-560003. <b>Telephone:</b> 080-23460815/816/817/818 <b>Email:</b> smeipo@integratedindia.in <b>Website:</b> www.integratedregistry.in <b>Investor Grievance Email:</b> giri@integratedindia.in <b>Contact Person:</b> S Giridhar <b>SEBI Registration Number:</b> INR00000054 <b>CIN:</b> U74900TN2015PTC101466
BANKER TO THE ISSUE AND SPONSOR BANK	LEGAL ADVISOR TO THE ISSUE
[•]	<b>J MUKHERJEE &amp; ASSOCIATES</b> D-1, MMS Chambers, 1st Floor, 4A Council House Street, Kolkata-700001, West Bengal, India <b>Telephone:</b> +91 9830640366 <b>Email ID:</b> jmukherjeeandassociates@gmail.com <b>Contact Person:</b> Mr. Jayabrata Mukherjee

Note: Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

### **Statement of Inter Se Allocation of Responsibilities**

Finshore Management Services Limited is the sole Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

### **Self-Certified Syndicate Banks ("SCSBs")**

The lists of banks that have been notified by SEBI to act as SCSB for the ASBA process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned SEBI link.

### **Issuer Banks for UPI**

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

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 BSE Limited at [http://www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?expandable=3](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) as updated from time to time.

### **Brokers to This Issue**

All brokers registered with SEBI and members of the Recognised Stock Exchange can act as brokers to the Offer.

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

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### **Credit Rating**

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

### **Trustees**

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

### **Debenture Trustees**

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

### IPO Grading

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

### Appraising Entity

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

### Monitoring Agency

As per regulation 262(1) of the SEBI ICDR Regulations 2018, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10,000 Lakhs. Since the Issue size is only of ₹ 1,123.20 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

### Filing of Draft Prospectus/Prospectus with the SEBI/ROC

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall be filed with the Board (SEBI) through the Lead Manager, immediately upon filing of the offer document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the Board (SEBI) shall not issue any observation on the offer document.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall also be furnished to the Board in a soft copy.

A copy of the Prospectus shall be filed electronically with the SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI and with the Designated Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, a copy of the Draft Prospectus will be mailed at the e-mail address: [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in)

A copy of the Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 would be delivered for filing to the **Registrar of Companies – Bangalore**.

### Issue Programme

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with BSE SME	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on BSE SME	[●]

### Expert Opinion

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this draft prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits by the Peer review Auditors and such consent has not been withdrawn as on the date of this draft prospectus.

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

There has been no change in the Auditor during the last 3 years.

### Underwriter

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent (100%) of the offer and shall not be restricted up to the minimum subscription level and as per sub regulation (2) The lead manager(s) shall underwrite at least fifteen per cent of the issue size on their own account(s).



Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated September 04, 2024 and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name, Address, Telephone, and Email of the Underwriter	Indicated number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue Size Underwritten
<b>Finshore Management Services Limited</b> Anandlok, Block-A, 2 <sup>nd</sup> Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, West Bengal, India <b>Tel No:</b> 033 – 2289 5101 / 4603 2561 <b>Website:</b> www.finshoregroup.com <b>Email:</b> info@finshoregroup.com <b>Investor Grievance Email:</b> <a href="mailto:investors@finshoregroup.com">investors@finshoregroup.com</a> <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185	11,23,200 Equity Shares*	₹ 1,123.20 Lakhs	100.00%

\*Includes 56,400 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated September 04, 2024 in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

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

#### Details of Market Making Arrangement for This Issue

Our Company and the Lead Manager has entered into Market Making Agreement dated September 04, 2024 with the following Market Maker to fulfil the obligations of Market Making for this Issue:

<b>Name</b>	Black Fox Financial Private Limited
<b>Address</b>	M-55, M Block Market, Greater Kailash-2, 3 <sup>rd</sup> Floor, New Delhi – 110048, India
<b>Contact Person</b>	Mr. Suresh Bohra
<b>Telephone</b>	+91 11 41611745
<b>E-mail</b>	<a href="mailto:suresh@blackfoxindia.com">suresh@blackfoxindia.com</a>
<b>Website</b>	<a href="http://www.blackfoxindia.com">www.blackfoxindia.com</a>
<b>SEBI Registration No</b>	INZ000207033
<b>CIN</b>	U74999DL1992PTC048924
<b>MM Registration No</b>	SMEMM0631011102013

M/s. Black Fox Financial Private Limited, registered with BSE Limited, will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified in SEBI (ICDR) Regulations as amended from time to time.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by the BSE and SEBI in this matter from time to time.

- *In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the BSE and SEBI regarding this matter from time to time.*
- *In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the lead manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the BSE Limited.*
- *In terms of regulation 261(3) of SEBI ICDR Regulations 2018, Following is a summary of the key details pertaining to the Market Making arrangement*

1. The Market Maker “M/s. Black Fox Financial Private Limited” shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE SME and SEBI from time to time.
3. The Market Maker is required to comply with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012 and SEBI ICDR Regulations and relevant Exchange Circulars requirement for Market Makers on SME platform.
4. The minimum depth of the quote shall be Rs.1.00 Lakh. However, the investors with holdings of value less than Rs. 1.00 Lakh shall be allowed to offer their holding to the Market Maker 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.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
6. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on BSE SME (in this case currently the minimum trading lot size is 1,200 equity shares; however, the same may be changed by the BSE SME from time to time).
7. The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the BSE Limited.
9. 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.
10. In terms of regulation 261(6) of SEBI ICDR Regulations 2018, Market Maker shall not buy the Equity Shares from the Promoters or Persons belonging to promoter group of **Netanalytiks Technologies Limited** or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
11. In terms of regulation 261(7) of SEBI ICDR Regulations 2018, The Promoters’ holding of **Netanalytiks Technologies Limited** shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters’ holding of **Netanalytiks Technologies Limited** which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the SME Platform of BSE Limited, in the manner specified by SEBI from time to time.
12. The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI (ICDR) Regulations, 2018.
13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of **Netanalytiks Technologies Limited** via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
14. **Risk containment measures and monitoring for Market Maker:** BSE SME will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

15. **Punitive Action in case of default by Market Maker(s):** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) 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. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.

16. 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
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

18. 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.

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

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

- *In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the lead manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. of the specified securities proposed to be listed on BSE SME.*
- *In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME.*

## SECTION VI: CAPITAL STRUCTURE

### CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this draft prospectus, is set forth below:

*(Rs. in Lakhs except share data)*

No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorized Share Capital</b>		
	50,00,000 Equity Shares of ₹10/- each	500.00	--
B.	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Offer <sup>(1)</sup></b>		
	28,89,504 Equity Shares of ₹10/- each	288.95	--
C.	<b>Present issue in terms of the draft prospectus <sup>(2)</sup></b>		
	11,23,200 Equity Shares of ₹10/- each for cash at a price of ₹100/- per share	112.32	1,123.20
<b>Which Comprises of</b>			
D.	<b>Reservation for Market Maker portion</b>		
	56,400 Shares of ₹10/- each for cash at a price a ₹100/- per Equity Share	5.64	56.40
E.	<b>Net Issue to the Public</b>		
	10,66,800 Equity Shares of ₹10/- each for cash at a price a ₹100/- per Equity Share, <b>out of which:</b>	106.68	1,066.8
	5,34,000 Equity Shares of ₹10/- each for cash at a price a ₹100/- per Equity Share will be available for allocation for allotment to Retail Individual Investors of <b>up to ₹2.00 lakhs</b>	53.40	534.00
	5,32,800 Equity Shares of ₹10/- each for cash at a price a ₹100/- per Equity Share will be available for allocation for allotment to Other Investors of <b>above ₹2.00 lakhs</b>	53.28	532.80
F.	<b>Paid up Equity capital after the Issue</b>		
	40,12,704 Equity Shares of ₹10/- each	401.27	
G.	<b>Securities Premium Account</b>		
	Before the Issue	95.47	
	After the Issue	1,106.35	

<sup>(1)</sup> Our Company has only one class of share, i.e., Equity Shares having face value of ₹10/- each and there are no partly paid-up Equity Shares or preference shares or convertible securities outstanding for conversion as on the date of this draft prospectus.

<sup>(2)</sup> This Initial Public Offer has been authorized pursuant to a resolution of our Board of Directors dated **August 09, 2024** and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General meeting of the members held on **August 12, 2024**.

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

Date of Shareholders approval	EGM/AGM/ Postal Ballot.	Authorized Share Capital (₹)	Details of change
12-01-2015	On Incorporation	3,00,000	Incorporated with an Authorized Share Capital of ₹ 3,00,000 comprising of 30,000 Equity Shares of ₹10/- each.
03-09-2017	EGM	30,00,000	Increase in Authorized Share Capital from ₹ 3,00,000 comprising of 30,000 Equity Shares of ₹10/- each to ₹ 30,00,000 comprising of 3,00,000 Equity Shares of ₹10/- each.
10-02-2022	EGM	50,00,000	Increase in Authorised Share Capital from ₹ 30,00,000 comprising of 3,00,000 Equity Shares of ₹10/- each to ₹ 50,00,000 comprising of 5,00,000 Equity Shares of ₹ 10/- each.
28-03-2024	EGM	5,00,00,000	Increase in Authorised Share Capital from ₹ 50,00,000 comprising of 5,00,000 Equity Shares of ₹10/- each to ₹ 5,00,00,000 comprising of 50,00,000 Equity Shares of ₹ 10/- each.

## Notes to Capital Structure

## Share capital history of our Company

## (a) Equity shares capital history of our Company:

The following is the history of the equity share capital of our Company:

Date of Allotment	No. of Equity Shares	Face Value (In ₹)	Issue Price (In ₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Capital (in ₹)
12-01-2015 <sup>(1)</sup>	30,000	10.00	10.00	Cash	Subscription to MOA	30,000	3,00,000
28-11-2017 <sup>(2)</sup>	2,35,710	10.00	10.00	Cash	Right Issue	2,65,710	26,57,100
30-03-2018 <sup>(3)</sup>	34,290	10.00	116.65	Cash	Right Issue	3,00,000	30,00,000
07-03-2022 <sup>(4)</sup>	4,290	10.00	116.67	Cash	Right Issue	3,04,290	30,42,900
24-03-2022 <sup>(5)</sup>	3,892	10.00	334.00	Cash	Preferential Issue	3,08,182	30,81,820
28-03-2022 <sup>(6)</sup>	2,395	10.00	334.00	Cash	Preferential Issue	3,10,577	31,05,770
30-03-2022 <sup>(7)</sup>	10,479	10.00	334.00	Cash	Preferential Issue	3,21,056	32,10,560
13-06-2024 <sup>(8)</sup>	25,68,448	10.00	-	Cash	Bonus Issue	28,89,504	2,88,95,040

## (1) Allotment on Initial subscription to the Memorandum of Association dated 12-01-2015:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Shankara Anatharamaiah Chilkunda	10.00	10.00	Subscription to MOA	10,000
2	Lakshminarayana Ullala	10.00	10.00	Subscription to MOA	10,000
3	Chandrasekharan Kulathoor	10.00	10.00	Subscription to MOA	10,000
<b>Total</b>					<b>30,000</b>

## (2) Further on 28-11-2017, Company has allotted 2,35,710 Equity Shares of Face Value Rs. 10/- each as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Lakshminarayana Ullala	10.00	10.00	Right Issue	1,17,855
2	Shankara Anatharamaiah Chilkunda	10.00	10.00	Right Issue	1,17,855
<b>Total</b>					<b>2,35,710</b>

## (3) Further on 30-03-2018 Company has allotted 34,290 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Roopa Ramanna Somanahalli	10.00	116.65	Right Issue	4,290
2	Pramod Dsouza	10.00	116.65	Right Issue	5,130
3	Ravi Prakash Reddy	10.00	116.65	Right Issue	5,130
4	Hari Krishna Pammi	10.00	116.65	Right Issue	8,580
5	Prakash V Gudnavar	10.00	116.65	Right Issue	870
6	Ravi Kumar Puli	10.00	116.65	Right Issue	4,290
7	Girish Chandrashekar	10.00	116.65	Right Issue	6,000
<b>Total</b>					<b>34,290</b>

## (4) Further on 07-03-2022 Company has allotted 4,290 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Ravishankar Balike	10.00	116.67	Right Issue	4,290
<b>Total</b>					<b>4,290</b>



(5) Further on 24-03-2022 Company has allotted 3,892 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Sangeeta Ajith Kamath	10.00	334.00	Preferential Issue	2,994
2	Yogendra V Koimattur	10.00	334.00	Preferential Issue	898
<b>Total</b>					<b>3,892</b>

(6) Further on 28-03-2022 Company has allotted 10,479 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Mittamida Ravi Prakash Reddy	10.00	334.00	Preferential Issue	2,395
<b>Total</b>					<b>2,395</b>

(7) Further on 30-03-2022 Company has allotted 10,479 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Naga Vinod Duggirala	10.00	334.00	Preferential Issue	4,491
2	Ravi Kumar Puli	10.00	334.00	Preferential Issue	2,994
3	Nagendra Subbarayappa	10.00	334.00	Preferential Issue	2,994
<b>Total</b>					<b>10,479</b>

(8) Further on 13-06-2024 Company has allotted 25,68,448 Equity Shares of face value of Rs. 10/- each by way of Bonus in the ratio of (8:1) i.e. 8 (Eight) Equity Shares for every 1 (One) Equity Share held by the existing shareholder on record date as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Lakshminarayana Ullala	10.00	-	Bonus Issue	10,62,832
2	Shankara Anantharamaiah Chilkunda	10.00	-	Bonus Issue	10,62,832
3	Hari Krishna Pammi	10.00	-	Bonus Issue	68,640
4	Mittamida Ravi Prakash Reddy	10.00	-	Bonus Issue	60,200
5	Ravi Kumar Puli	10.00	-	Bonus Issue	58,272
6	Girish Chandrashekhar	10.00	-	Bonus Issue	48,000
7	Pramod Dsouza	10.00	-	Bonus Issue	41,040
8	Naga Vinod Duggirala	10.00	-	Bonus Issue	35,928
9	Ravi Shankar Balike	10.00	-	Bonus Issue	34,320
10	Roopa Ramanna Somanahalli	10.00	-	Bonus Issue	34,320
11	Sangeeta Ajith Kamath	10.00	-	Bonus Issue	23,960
12	Nagendra Subbarayappa	10.00	-	Bonus Issue	23,960
13	Yogendra V Koimattur	10.00	-	Bonus Issue	7,184
14	Prakash Gudnavar	10.00	-	Bonus Issue	6,960
<b>Total</b>					<b>25,68,448</b>

As on the date of this draft prospectus, our Company does not have any preference share capital.

**(b) Shares issued for consideration other than cash:**

As on the date of this draft prospectus, Our Company has not issued Equity shares for consideration other than cash except as mentioned below.

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
13-06-2024	25,68,448	Nil	Nil	Bonus Issue	#	Capitalization of reserves

#For list of allottees, see note 8 of paragraph titled "Equity Share Capital History of our Company" mentioned above.

**(c) Revaluation of our assets:**

We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

**(d) If shares have been issued in terms of any scheme approved under Sections 391- 394 of the Companies Act or under section 230-234 of the Companies Act, 2013:**

Our Company has not issued any Equity Shares in terms of any scheme approved under Sections 391- 394 of the Companies Act 1956 or under section 230-234 of the Companies Act, 2013.

**(e) If shares have been issued under one or more employee stock option schemes:**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this draft prospectus.

**(f) Issue of Shares in the last one year below the Issue Price:**

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
13-06-2024	25,68,448	Nil	Nil	Bonus Issue	#	Capitalization of reserves

**(g) Shareholding Pattern of our Company:**

The table below presents the current shareholding pattern of our Company as on the date of this draft prospectus.

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)#
								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 (Sb)	
								Class: X	Class: Y	Total								
A1	Promoter	2	23,91,372	-	-	23,91,372	82.76%	23,91,372	-	23,91,372	82.76%	-	82.76%	-	-	-	-	23,91,372
A2	Promoter Group	1	38,610	-	-	38,610	1.34%	38,610	-	38,610	1.34%	-	1.34%	-	-	-	-	38,610
B	Public	11	4,59,522	-	-	4,59,522	15.90%	4,59,522	-	4,59,522	15.90%	-	15.90%	-	-	-	-	4,59,522
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		14	28,89,504	-	-	28,89,504	100.00%	28,89,504	-	28,89,504	100.00%	-	100.00%	-	-	-	-	28,89,504

As on date of this draft prospectus, 1 Equity share holds 1 vote.

As on date, we have only one class of Equity Shares of face value of Rs. 10/- each.

All Pre-IPO equity shares of our company will be locked-in as per regulations of SEBI ICDR prior to listing of shares on SME Platform of BSE Limited.

In terms of regulation 230(1)(d) of SEBI ICDR Regulation 2018, all specified securities held by promoters are dematerialized.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE Limited before commencement of trading of such Equity Share.

- (i) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on the date of the draft prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Shankara Anantharamaiah Chilkunda	11,95,686	41.38%
2	Lakshminarayana Ullala	11,95,686	41.38%
3	Roopa Ramanna Somanahalli	38,610	1.34%
4	Hari Krishna Pammi	77,220	2.67%
5	Mittamida Ravi Prakash Reddy	67,725	2.34%
6	Ravi Kumar Puli	65,556	2.27%
7	Girish Chandrashekar	54,000	1.87%
8	Pramod Dsouza	46,170	1.60%
9	Naga Vinod Duggirala	40,419	1.40%
10	Ravi Shankar Balike	38,610	1.34%
<b>Total</b>		<b>28,19,682</b>	<b>97.58%</b>

- (ii) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 10 days before the date of the draft prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Shankara Anantharamaiah Chilkunda	11,95,686	41.38%
2	Lakshminarayana Ullala	11,95,686	41.38%
3	Roopa Ramanna Somanahalli	38,610	1.34%
4	Hari Krishna Pammi	77,220	2.67%
5	Mittamida Ravi Prakash Reddy	67,725	2.34%
6	Ravi Kumar Puli	65,556	2.27%
7	Girish Chandrashekar	54,000	1.87%
8	Pramod Dsouza	46,170	1.60%
9	Naga Vinod Duggirala	40,419	1.40%
10	Ravi Shankar Balike	38,610	1.34%
<b>Total</b>		<b>28,19,682</b>	<b>97.58%</b>

- (iii) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 1 (one) year before the date of the draft prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Shankara Anantharamaiah Chilkunda	1,32,854	41.38%
2	Lakshminarayana Ullala	1,32,854	41.38%
3	Roopa Ramanna Somanahalli	4,290	1.34%
4	Hari Prakash Pammi	8,580	2.67%
5	Mittamida Ravi Prakash Reddy	7,525	2.34%
6	Ravi Kumar Puli	7,284	2.27%
7	Girish Chandrashekar	6,000	1.87%
8	Pramod Dsouza	5,130	1.60%
9	Naga Vinod Duggirala	4,491	1.40%
10	Ravi Shankar Balike	4,290	1.34%
<b>Total</b>		<b>3,13,928</b>	<b>97.58%</b>

(iv) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 2 (two) year before the date of the draft prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Shankara Anantharamaiah Chilkunda	1,32,854	41.38%
2	Lakshminarayana Ullala	1,32,854	41.38%
3	Roopa Ramanna Somanahalli	4,290	1.34%
4	Hari Prakash Pammi	8,580	2.67%
5	Mittamida Ravi Prakash Reddy	7,525	2.34%
6	Ravi Kumar Puli	7,284	2.27%
7	Girish Chandrashekar	6,000	1.87%
8	Pramod Dsouza	5,130	1.60%
9	Naga Vinod Duggirala	4,491	1.40%
10	Ravi Shankar Balike	4,290	1.34%
<b>Total</b>		<b>3,13,928</b>	<b>97.58%</b>

(h) *Proposal or intention to alter our capital structure within a period of 6 months from the date of opening of the Issue:*

Our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. 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 opening of the Issue 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 may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company after obtaining relevant approvals.

(i) *The Details of Shareholding of Promoter of Our Company:*

**Capital Build-up of our Promoter in our Company:**

The current promoter of our Company is Mr. Shankara Anantharamaiah Chilkunda and Mr. Lakshminarayana Ullala.

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company. As on the date of this draft prospectus, our Promoter hold 23,91,372 Equity Shares, which constitutes approximately 82.76 % of the pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and approximately 59.60 % of the post-IPO issued, subscribed and paid-up Equity Share capital assuming full allotment of the shares offered in IPO. The Details are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<i>Promoters</i>				
Mr. Shankara Anantharamaiah Chilkunda	11,95,686	41.38%	11,95,686	29.80%
Mr. Lakshminarayana Ullala	11,95,686	41.38%	11,95,686	29.80%
<b>Total Promoters Shareholding</b>	<b>23,91,372</b>	<b>82.76%</b>	<b>23,91,372</b>	<b>59.60%</b>

All the Equity Shares allotted and held by our Promoter were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.



Set forth below is the build-up of the equity shareholding of our Promoter since the incorporation of our Company.

i) *Mr. Shankara Ananthramaiah Chilkunda*

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value	Issue/ Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
12-01-2015	10,000	10.00	10.00	Cash	Subscription to MOA	0.35%	0.25%	No
03-07-2015	5,000	10.00	10.00	Cash	Transfer from Mr. Chandrashekharan Kulathoor	0.17%	0.12%	No
28-11-2017	1,17,855	10.00	10.00	Cash	Right Issue	4.08%	2.94%	No
01-08-2019	-1	10.00	10.00	Cash	Transfer to Mrs. Sangeeta Kamath	0.00%	0.00%	No
13-06-2024	10,62,832	10.00	-	Nil	Bonus Issue	36.78%	26.49%	No
<b>Total</b>	<b>11,95,686</b>					<b>41.38%</b>	<b>29.80%</b>	

ii) *Mr. Lakshminarayana Ullala*

Date of Allotment/ Acquisition / Sale	Number of Equity Shares	Face Value	Issue/ Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding %	Post-issue Share Holding %	Pledge
12-01-2015	10,000	10.00	10.00	Cash	Subscription to MOA	0.35%	0.25%	No
03-07-2015	5,000	10.00	10.00	Cash	Transfer from Mr. Chandrashekharan Kulathoor	0.17%	0.12%	No
28.11.2017	1,17,855	10.00	10.00	Cash	Right Issue	4.08%	2.94%	No
25-05-2019	-1	10.00	10.00	Cash	Transfer to Nagendra Subbarayappa	0.00%	0.00%	No
13-06-2024	10,62,832	10.00	-	Nil	Bonus Issue	36.78%	26.49%	No
<b>Total</b>	<b>11,95,686</b>					<b>41.38%</b>	<b>29.80%</b>	

*Note: All the Equity Shares held by our Promoter were fully paid up as on the respective dates of acquisition of such Equity Shares and there are no partly paid-up Equity Shares as on the date of filing of this draft prospectus.*

(j) *As on date of this draft prospectus, our Company has 14 (Fourteen) shareholders.*

(k) *The aggregate shareholding of the Promoter and Promoter Group and of the directors of the promoter, where the promoter is a body corporate:*

The Aggregate shareholding of the Promoters & Promoter Group is as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<i>Promoters</i>				
Shankara Ananthramaiah Chilkunda	11,95,686	41.38%	11,95,686	29.80%
Lakshminarayana Ullala	11,95,686	41.38%	11,95,686	29.80%
<b>Total Promoters Shareholding (A)</b>	<b>23,91,372</b>	<b>82.76%</b>	<b>23,91,372</b>	<b>59.60%</b>
<i>Promoter Group</i>				
Roopa Ramanna Somanahalli	38,610	1.34%	38,610	0.96%
<b>Total Promoters Group Shareholding (B)</b>	<b>38,610</b>	<b>1.34%</b>	<b>38,610</b>	<b>0.96%</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>24,29,982</b>	<b>84.10%</b>	<b>24,29,982</b>	<b>60.56%</b>

(l) *The aggregate number of specified securities purchased or sold by the promoter group and/or by the directors of the company and their relatives in the preceding six months:*

Name of Shareholder	Promoter/ Promoter Group/ Director	Date of Transaction	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold/ Transferred	Nature of Transaction
Shankara Anantharamaiah Chilkunda	Promoter & Managing Director	13-06-2024	10,62,832	-	Bonus Issue
Lakshminarayana Ullala	Promoter & Whole Time Director	13-06-2024	10,62,832	-	Bonus Issue
Roopa Ramanna Somanahalli	Promoter Group	13-06-2024	34,320	-	Bonus Issue

(m) *There are no financing arrangements whereby the promoter group, the directors of the company which is a promoter of the issuer, 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 in the six months immediately preceding the date of filing of the offer document.*

(n) *Promoter's Contribution:*

(i) **Details of Promoter's Contribution Locked-in of Equity Shares for Three (3) Years**

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company.

Further, in terms of Regulation 238(a) of SEBI ICDR Regulations, minimum promoter's contribution will be locked-in for a period of three years from the date of Allotment or date of commencement of commercial production, whichever is later and the Equity Shares held by Promoter of our Company in excess of minimum promoter's contribution will be locked-in for a period of one year from the date of Allotment.

As on the date of this draft prospectus, our Promoter hold 23,91,372 Equity Shares constituting 59.60% of the Post offer issued, subscribed and paid-up Equity Share capital of our Company, out of which 8,02,541 equity shares being 20.00% of the post Issue equity share capital of our Company are eligible for the Promoter's Contribution margin.

An aggregate of minimum 20.00% of the post-issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Minimum Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the 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.

Our Promoters have granted their consents to include such number of Equity Shares held by them as may constitute minimum 20.00% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this draft prospectus until the completion of the lock-in period specified above.

*The details of lock-in of shares for 3 (three) years are as under:*

Date of Allotment/ Acquisition	Date When made fully paid up	Nature of Allotment/ Transfer	No. of Equity Shares	Face Value	Issue Price/ Transfer Price	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital	Lock in Period
<b>Mr. Shankara Anantharamaiah Chilkunda</b>								
13-06-2024	13-06-2024	Bonus Issue	4,01,271	10.00	-	13.89%	10.00%	3 Years
<b>Mr. Lakshminarayana Ullala</b>								
13-06-2024	13-06-2024	Bonus Issue	4,01,270	10.00	-	13.89%	10.00%	3 Years
<b>Total</b>			<b>8,02,541</b>			<b>27.78%</b>	<b>20.00%</b>	

8,02,541 Pre-IPO equity shares of our company held by Our Promoter will be locked-in for 3 (three) years as mentioned above prior to listing of shares.

In terms of Regulation 237 of SEBI ICDR Regulations, our Company confirms that none of the Equity Shares forming part of minimum promoter's contribution –

- Are acquired by our Promoter during preceding three financial years;
  - For consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved; or
  - Through bonus issue of Equity Shares made by utilizing the revaluation reserves or unrealized gain or through bonus issue against equity shares which are ineligible for minimum promoter's contribution;
- Are pledged by our Promoter with any creditor;
- Consist of Equity Shares acquired by our Promoter during preceding one year at a price lower than the Issue Price.

Our Company was incorporated under the Companies Act, 2013 and was not incorporated by converting the partnership firm(s) or LLP(s).

The Promoters have severally confirmed that the Equity Shares are eligible in terms of Regulation 237 of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares are free from any lien, encumbrance or third-party rights. The Promoters have also severally confirmed that they are the legal and beneficial owners of the Equity.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

#### (ii) Details of Equity Shares Locked-in for one (1) year

In excess of minimum 20% of the post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), the balance pre-issue share capital of our Company held by promoters shall be locked in for a period of one year from the date of Allotment in this Issue as provided in clause 238(b) of SEBI (ICDR) Regulations 2018.

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

*The details of lock-in of shares for 1 (one) year are as under:*

<i>Name of Shareholders</i>	<i>Category</i>	<i>No of Shares Held</i>	<i>Lock-in for 3 Years</i>	<i>Lock-in for 1 Years</i>
Shankara Anantharamaiah Chilkunda	Promoter	11,95,686	4,01,271	7,94,415
Lakshminarayana Ullala	Promoter	11,95,686	4,01,270	7,94,416
Roopa Ramanna Somanahalli	Promoter Group	38,610	-	38,610
Hari Krishna Pammi	Public	77,220	-	77,220
Mittamida Ravi Prakash Reddy	Public	67,725	-	67,725
Ravi Kumar Puli	Public	65,556	-	65,556
Girish Chandrashekar	Public	54,000	-	54,000
Pramod Dsouza	Public	46,710	-	46,710
Naga Vinod Duggirala	Public	40,419	-	40,419
Ravi Shankar Bali	Public	38,610	-	38,610
Sangeeta Ajith Kamath	Public	26,955	-	26,955
Nagendra Subbarayappa	Public	26,955	-	26,955
Yogendra V Koimattur	Public	8,082	-	8,082
Prakash Gudnavar	Public	7,830	-	7,830
<b>Total</b>		<b>28,89,504</b>	<b>8,02,541</b>	<b>20,86,963</b>

**(iii) Other requirements in respect of lock-in****➤ Inscription or recording of non-transferability:**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

**➤ Pledge of Locked-in Equity Shares**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company as collateral security for loans granted by such scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company, subject to fulfilment of following conditions:

- i. In respect of Equity Shares which are locked in for a period of one year, the pledge of the Equity Shares is one of the terms of the sanction of the loan;
- ii. In respect of Equity Shares which are locked in for a period of three years, the loan has been granted by such scheduled commercial bank or public financial institution or systemically important non-banking finance company or housing finance company to our Company or our Subsidiary (ies) for the purpose of financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

**➤ Transfer of Locked-in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters’ Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters’ Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

**(iv) Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this draft prospectus:**

There is no other Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this draft prospectus except as mentioned in this chapter and draft prospectus.

- (o) Our Company, its Directors, Promoters or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.
- (p) Our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Prospectus except as otherwise mentioned in “*Risk Factors*” beginning on Page 21 of Draft Prospectus, if any.
- (q) The Equity Shares issued pursuant to this Issue shall be fully paid-up.

- (r) The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this draft prospectus.
- (s) There are no options granted or equity shares issued under any scheme of employee stock option or employee stock purchase of issuer, in the preceding three years (separately for each year) and on a cumulative basis for all options or equity shares issued prior to the date of the draft prospectus.
- (t) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this draft prospectus.

**Other miscellaneous disclosures:**

1. None of the Equity Shares of our Company are subject to any pledge as on the date of this draft prospectus.
2. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on date of this draft prospectus.
3. Except as disclosed in the chapter titled **“Our Management”** on page no. 146 of this draft prospectus, none of our directors or Key Managerial Personnel or Senior Management holds any Equity Shares in our Company.
4. None of our Promoters, Promoter Group, our directors and their relatives has entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the draft prospectus.
5. We hereby confirm that there will be no further issue of capital whether by the 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 prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of issue.
6. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
7. Our Company has not issued Equity Shares out of Revaluation Reserves.
8. Our Company shall comply with such disclosures and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
9. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this draft prospectus.
10. Our Company has not raised any bridge loan against the proceeds of this issue.
11. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this draft prospectus.
12. Our Company has not revalued its assets since incorporation.
13. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
14. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
15. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of SEBI (ICDR) Regulations.



16. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
17. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
18. There are no Equity Shares against which depository receipts have been issued.
19. Other than the Equity Shares, there is no other class of securities issued by our Company.
20. This issue is being made through Fixed Price method.
21. This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:
  - (a) Minimum 50% to the Retail individual investors; and
  - (b) remaining to:
    - i. individual applicants other than retail individual investors; and
    - ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion is either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

**Explanation:** For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

22. *None of the members of our Promoters and Promoter Group will participate in the Issue.*

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECT OF THE ISSUE

The Issue includes a fresh Issue of **11,23,200** Equity Shares of our Company having face value of Rs. 10/- each at an Issue Price of ₹100/- per Equity Share aggregating to ₹ **1,123.20** Lakhs. Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on Stock Exchange.

#### The Objects of the Issue are:

- A. Development of Generative AI (GEN AI) Product/Solution
- B. To meet the Working Capital Requirements
- C. General Corporate Purposes

#### Issue Proceeds and Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount (₹ in Lakhs)	% of total issue size
Gross Proceeds from the Issue	1,123.20	100.00%
(Less) Issue related expenses	(159.65)	(14.21%)
<b>Net Proceeds</b>	<b>963.55</b>	<b>85.79%</b>

#### Utilization of Net Proceeds

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

Sr. No.	Particulars	Amount (₹ in Lakhs)	% of total issue size
A	Development of GEN AI Product / Solution	159.60	14.21%
B	Working Capital Requirement	578.95	51.54%
C	General Corporate Expenses	225.00	20.03%
	<b>Net Issue Proceeds</b>	<b>963.55</b>	<b>85.79%</b>

#### Proposed Schedule of Implementation:

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

(Rs. In Lakhs)

Particulars	Total Estimated Amount	Amount to be deployed and utilized in	
		FY 2024-25	FY 2025-26
A. Development of GEN AI Product / Solution	159.60	159.60	--
B. Working Capital Requirements	578.95	178.95	400.00
C. General Corporate Purposes	225.00	225.00	--
<b>Net Issue Proceeds</b>	<b>963.55</b>	<b>963.55</b>	<b>400.00</b>

To the extent, Issuer Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above and not having favourable market conditions as estimated; they shall deploy the Net Issue Proceeds in the subsequent Financial Years towards the Object. However, if there is any pre-requirement of working capital due to good & favourable market condition and demand, the issuer company may utilise the same in FY 2024-25 itself.

## Details breakup of the Use of the Proceeds:

### A. Development of GEN AI Product / Solution

NetAnalytik has always been leveraging the cutting edge/latest technologies for the benefit of their customers. NetAnalytik is currently working and proposed to build the following three Generative AI based solutions:

#### *i) Generative AI assisted Candidate Interview App for HR Community*

HR Community across industries are overwhelmed especially while hiring talent for new/bigger teams. This app will help the HR / recruitment team by automating the recruitment process that will be customized easily through configurations by the respective teams and also Generative AI assisted app that will help in hiring the suitable candidates for the given role(s). This app will have the following advantages for the customers:

- Significant productivity improvement
- Reduced cost per resource hired
- Accuracy and efficiency of the hiring process
- Removal of bias from the hiring process
- Total automation of end-to-end hiring process from screening candidate profiles, scheduling and conducting interviews, Offer and onboarding

#### *ii) Generative AI based Customer Support App*

Industries across the globe are struggling with customer support since this requires organization specific knowledge in terms of their products and services. The high churn in this division leads to higher cost of ownership in terms of training new hires with respect to their organization, the application/products and services as well as productivity lost due to sudden exit of team members. Further, due to the repetitive nature of the work, it is much more efficient to have this kind of apps to support than human team members. This app will have the following benefits for the customers:

- Significant productivity improvement
- Reduced cost per customer support request
- Improved response time
- Organization specific and industry standard based solutions to help achieve better solutions to customers' day-to-day issues
- Improved CSAT
- Enhanced satisfaction of the team members of the Customer Support Division since they get to work on advanced issues/incidents than mundane day-to-day issues which doesn't require any advanced knowledge or research

#### *iii) Sand-box Environment of Generative AI based generic solutions*

Senior Management across industries struggle to understand Generative AI and how Generative AI based solutions could potentially help their organization. It's not easy for everyone to set up such environment without spending significant amount of time and effort and establishing an internal team, buying large databases as well as hosting environment. Keeping this in mind, NetAnalytik is planning to build a Sand box environment with several industry specific solutions that senior management from any company could register for a very nominal fee and try out. This app will have the following benefits for the customers:

- Standard, easy to use environment
- Will enable them to try out their ideas with their company specific data
- Quick option to try out their idea and come up with MVA for validation of their ideas
- Easy option to showcase their solution to management and budget allocation/approval
- No cost of ownership of both human resources as well as hosting environment and purchase of costly databases

These three applications are in the pipeline and the first version of these apps are expected to be ready in the next 8 months and could be deployed for customer's use.

The estimated cost for the development of such GEN AI Product/Solutions are as under:

Gen AI Product/Solution Development Costs				
Type of Resource	No. of Resources <sup>#</sup>	No. of Months <sup>#</sup>	Avg. Cost <sup>§</sup>	Total Cost (INR)
Junior Gen AI Developers	15	8	50,000	60,00,000
Senior Gen AI Resources	4	6	1,50,000	36,00,000
UX/UI Resources	5	6	1,50,000	45,00,000
Consultant	1	8	1,20,000	9,60,000
Hosting		6	1,50,000	9,00,000
<b>Total Estimated Cost</b>				<b>1,59,60,000</b>

<sup>#</sup> These are the estimated numbers and subject to change as work progresses

<sup>§</sup> The average cost is per resource per month and is based on internal management estimates

## B. Working Capital Requirements

Our business is working capital intensive. We finance our working capital requirement from our internal accruals, long-term and short-term borrowings. Our working capital gap for the FY ended 2024, 2023 & 2022 was Rs. 497.32 Lakhs, Rs. 232.77 Lakhs and Rs. 104.78 Lakhs respectively. For the expansion of our business and to enter new geographical areas, our company requires additional working capital for funding its incremental working capital requirements in the Financial Years ended March 31, 2025 and March 31, 2026, which is based on our management estimations of the future business plan.

Considering the existing and future growth, the working capital needs of our company, as assessed based on the internal workings of our Company is Rs. 1065.32 Lakhs in FY 2024-25 and Rs. 1256.69 lakhs in FY 2025-26. We intend to meet our working capital requirements to the extent of ₹578.95 Lakhs from the Net Proceeds of this Issue and the balance will be met from internal accruals at an appropriate time as per the requirement. Details of Estimation of Working Capital requirement are as follows:

Particulars	31-03-2026	31-03-2025	31-03-2024	31-03-2023	31-03-2022
	Estimated (₹ in lakhs)		Restated (₹ in lakhs)		
Cash & Bank Balance	132.44	87.82	42.01	90.80	43.77
Sundry Debtors	700.00	300.00	251.76	176.72	80.87
Inventory	-	-	-	-	-
Short Term Loans and Advances	125.00	100.00	73.04	14.04	24.94
Other Current Assets	350.00	225.00	175.52	36.99	-
<b>Total Current Assets</b>	<b>1,307.44</b>	<b>712.82</b>	<b>542.33</b>	<b>318.55</b>	<b>149.58</b>
Sundry Creditors	14.50	13.94	13.92	38.54	4.94
Other Current Liabilities	36.25	33.56	31.09	47.25	39.86
<b>Total Current Liabilities</b>	<b>50.75</b>	<b>47.50</b>	<b>45.01</b>	<b>85.79</b>	<b>44.80</b>
<b>Working Capital Gap</b>	<b>1,256.69</b>	<b>665.32</b>	<b>497.32</b>	<b>232.77</b>	<b>104.78</b>
<b>Source of Working Capital</b>					
Proceeds from IPO	400.00	178.95	-	-	-
Short Term Borrowings	-	-	14.59	40.00	40.65
Internal Accrual	856.69	486.37	482.73	192.77	64.13
<b>Total</b>	<b>1,256.69</b>	<b>665.32</b>	<b>497.32</b>	<b>232.77</b>	<b>104.78</b>

### Assumption on working capital requirement:

Based on our past track record and as per industry trend, we have estimated our working capital requirement for FY ended 2025 and FY ended 2026 on the following holding periods:

Particulars	31-03-2026	31-03-2025	31-03-2024	31-03-2023	31-03-2022
Sundry Debtors Holding period (In Days)	85	84	86	82	60
Inventory Holding Period (In Days)	-	-	-	-	-
Sundry Creditor Holding Period (In Days)	-	-	-	-	-

**Justification for Holding Period:**

Particulars	Details
Sundry Debtors	<p>The Sundry Debtor holding periods depends on lots of factors like prevailing market condition, customers demand, our thrust to capture market etc. Sometimes, we have to also offer extra credit period to boost the topline and retained the clients or to get new clients.</p> <p>In Fiscal 2022, 2023 and 2024 our average Sundry Debtor holding period was 60 days, 82 days and 86 days respectively. Going forward, we are estimating to maintain the Debtor holding period at levels of 84-85 days from Fiscal 2025 onwards as per our affordability to increase the top line as well to retain present &amp; future customers as per the demand and market practice. Further the company is also going for a development of new products which will also boost the topline resulting into increase in sundry debtors.</p>
Inventories	Not Applicable
Sundry Creditors	Not Applicable
Cash and Cash Equivalents	The Key items under this head are Cash-in-hand, Bank Balance in current account and Fixed Deposits in bank to meet the day-to-day expenses. The increase in amount of Cash and Cash Equivalent is considered on account of increase in operations and turnover, and such amounts will be required to meet the day-to-day expenses and to take advantage of situations of price fluctuations, etc.
Short Term Loans and Advances and Other Current Assets	The key items under this head are advance to suppliers/employees etc., balance with government authorities, Deposits, business receivable and prepaid expenses etc.
Other Current Liabilities and Short Term Provisions	Other current liabilities include advance from customers, provisions, statutory dues, expenses payable, etc.

**C. General Corporate Purposes**

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount being raised by our Company through this issue, in compliance with the Chapter IX, Regulation 230 (2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., ₹ 225.00 Lakhs, which is 20.03% of the amount being raised by our company through this issue, towards general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- i. Strategic initiatives, partnerships, joint ventures and acquisitions;
- ii. Brand building, strengthening of promotional & marketing activities and advisory services;
- iii. Meeting exigencies and contingencies which our company in the ordinary course of business may not foresee; and
- iv. Any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the balance Net Proceeds for general corporate purposes, as mentioned above.

**D. Issue Related Expenses**

The expenses for this Issue include issue management fees, underwriting fees, selling commission, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees, statutory expenses etc. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:



Activity	Estimated Expenses (₹ In Lakhs)	% of Total Issue Expenses	% of the Total Issue Size
Lead Manager Fees, underwriting commission, including other intermediaries Fees, Printing and distribution of Issue Stationary	68.46	42.88%	6.10%
Regulators Including Stock Exchanges	12.56	7.87%	1.12%
Advertising, Selling, Marketing and Advisory Expenses	78.62	49.25%	7.00%
<b>Total</b>	<b>159.65</b>	<b>100%</b>	<b>14.21%</b>

**Note:**

- **ASBA Bankers:** The SCSBs will be entitled to selling commission of 0.03% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual Bidders and Non-Institutional Bidders. No other fees/commission shall be payable on the application forms directly procured by them.

The SCSBs would be entitled to processing fees of 0.03% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.

- **SYNDICATE ASBA:** Other intermediaries (syndicate/sub-syndicate/registered broker/CRTAs/CDPs or for using 3-in-1 type account i.e. linked online trading, demat and bank account provided by some of the registered brokers) will be entitled to selling commission of ₹10/- (plus GST) per valid application form wherein the shares has been allotted for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual Bidders and Non-Institutional Bidders.
- **Issuer banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹7/- (plus GST) (or mutually decided and agreed) per valid application form made by the Retail Individual Bidders using the UPI mechanism for processing. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars and other applicable laws.
- The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant registered broker and other intermediaries.
- Any expenses incurred towards IPO related expenses will be reimbursed/recouped out of the gross proceeds of the Issue.
- The processing fees for applications made by UPI 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 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.
- Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs/LM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

### **Means of Finance:**

We propose to meet the requirement of funds for the stated objects of the Issue from the IPO Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirements under Regulation 230(1)(e) of the SEBI ICDR Regulations and Clause 9(C) of Part A of Schedule VI of the SEBI (ICDR) Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below. In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 / Companies Act, 1956.

### **Appraisal by Appraising Fund:**

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 management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

### **Shortfall of Funds**

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

### **Bridge Financing Facilities**

As on the date of this draft prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

### **Interim Use of Proceeds**

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

### **Monitoring Utilization of Funds**

As the Issue size is less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this draft prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or Senior Management or companies promoted by the Promoters, except as may be required in the usual course of business and for the objects as stated above.

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company’s Key Managerial Personnel or Senior Management, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our directors or Key Managerial Personnel or Senior Management, except in the normal course of business and in compliance with the applicable laws.

## BASIS FOR ISSUE PRICE

The Issue Price of ₹100/- per Equity Share has been determined by our Company, in consultation with the Lead Manager and justified by our Company, on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is ₹10/- and Issue Price is ₹100/- which is 10.00 times of the face value. Investors should also refer “**Our Business**”, “**Risk Factors**” and “**Financial Statements as Restated**” beginning on page no 119, 21 and 169 respectively, of this draft prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS:

Some of the qualitative factors, which form the basis for computing the price, are –

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Experienced management team and a motivated and efficient work force;
- Cordial relations with our customers
- Quality Assurance & Control

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, “**Our Business**”, beginning on page no. 89 of this draft prospectus.

### QUANTITATIVE FACTORS:

The information presented in this section is derived from our Company’s restated financial statements for the financial year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details, refer chapter titled “**Financial Statements as Restated**” beginning on page no 169 of this draft prospectus. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic & Diluted Earnings per share (EPS) as adjusted for changes in capital for last 3 years:

##### Earnings Per Share as per the Company’s Restated Financial Information

Particulars	Basic & Diluted EPS (Rs.)		Weight
	With Retrospective Effect of Bonus	As per Restated	
Year ended March 31, 2022	1.63	14.66	1
Year ended March 31, 2023	2.90	26.13	2
Year ended March 31, 2024	8.19	73.67	3
<b>Weighted Average*</b>	<b>5.33</b>	<b>47.99</b>	

a. **Basic & Diluted EPS:** EPS has been calculated as PAT/Weighted average no. of shares outstanding for particular period/year in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share' issued by ICAI.

b. **Weighted average:** Aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]

# On June 13, 2024, Company has allotted 25,68,448 Equity Shares as Bonus Share in the ratio of 8:1 i.e. Eight Equity Shares for every One fully paid-up equity share. The EPS has been shown separately giving retrospective effect of Bonus allotment.

(For further details, please refer chapter “**Capital Structure**” and “**Financial statement as Restated**” beginning from page no. 56 and 169 respectively of this draft prospectus.)

2. Price to Earning (P/E) Ratio in relation to the Issue Price of ₹100/- per equity share of face value of Rs. 10/- each

Particulars	P/E Ratio	
	With Retrospective Effect of Bonus & Split	As per Restated
P/E ratio based on the Basic & Diluted EPS as on March 31, 2024	12.22	1.36
P/E ratio based on the Weighted Average EPS	<b>18.76</b>	<b>2.08</b>

Industry Price to Earning (P/E)

Particulars	P/E Ratio
Highest	41.45
Lowest	16.18
Average	<b>28.81</b>

3. Average Return on Net Worth (RoNW) for last 3 years as per the Company's Restated Financial Information

Particulars	RONW in %	Weight
Year ended March 31, 2022	22.06%	1
Year ended March 31, 2023	28.22%	2
Year ended March 31, 2024	46.03%	3
<b>Weighted Average</b>	<b>36.10%</b>	

**Weighted average:** Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e.  $[(Return\ on\ Net\ Worth\ \times\ Weight)\ for\ each\ year] / [Total\ of\ weights]$

**Note:** Net worth has been computed by aggregating share capital and reserves and surplus as per the audited restated financial information. Revaluation reserve or miscellaneous expenditure (to the extent not written off) is not considered for calculating Reserve & Surplus.

4. Net Assets Value:

Particulars	With Retrospective Effect of Bonus & Split	As per Restated
Net Asset Value per Equity Share as of March 31, 2024	17.78	160.04
<b>Net Asset Value per Equity Share after the Issue</b>	<b>40.80</b>	
<b>Issue Price per equity share</b>	<b>100.00</b>	

**Note:** Net Asset Value per equity share represents "total assets less total liability as per the restated financial information as divided by the number of equities shares outstanding as at the end of year/period.

5. Comparison with other listed companies/Industry peers:

Considering the nature and services provided by our company, turnover and size of business of our Company, the peer companies mentioned below are not strictly comparable. However, the below mentioned listed company have been taken into consideration as peer comparative listed companies and has been included for broad comparison only. The below mentioned listed company are those who provide Manpower services as one of their services, i.e. M/s. Integrated Personnel Services Limited, M/s. ANI Integrated Services Limited, M/s. Systango Technologies Limited, M/s. Euphoria Infotech (India) Limited, and M/s. S A Tech Software India Limited.

Name of Company	CMP (in ₹)	Face Value (in ₹)	EPS Basic	NAV per Equity Share	P/E Ratio	RONW (%)	Revenue from Operation (₹ in Lakhs)
<b>Peer Group**</b>							
Integrated Personnel Services Limited	225.05	10.00	5.43	48.68	41.45	11.16%	20,572.60
ANI Integrated Services Limited	197.55	10.00	4.89	53.32	40.40	9.17%	17,193.00
Systango Technologies Limited	251.80	10.00	11.07	52.69	22.75	21.02%	5,267.91
Euphoria Infotech (India) Limited	71.20	10.00	4.40	56.60	16.18	5.64%	601.40
S A Tech Software India Limited	166.00	10.00	4.06	12.74	40.89	31.63%	7,188.22
<b>Issuer Company</b>							
Netanalytikis Technologies Limited	100.00	10.00	8.19	17.78	12.22	46.03%	1,067.78

#Considering the nature and size of business of the Company, the peers may not be exactly comparable. Hence a strict comparison is not possible. However, the above companies have been included for broader comparison.

^ Based on full completed financial year ended on March 31, 2024 on Restated basis

\*Source for Peer Companies: Annual Reports (figures as on March 31, 2024)

\*\* CMP as on 27/09/2024 for Peer Group and IPO price for Issuer Company

## 6. Key Operational and Financial 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 various verticals in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 30, 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 Prospectus. Further, the KPIs herein have been certified by M/s. Vishnu Daya & Co LLP, Chartered Accountant, by their certificate dated September 30, 2024.

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 Offer Section, 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.

### a. Financial KPIs of our Company:

₹ in lakhs except percentage and ratios

Particulars	31-03-2024	31-03-2023	31-03-2022
Total Income	1,088.58	799.29	488.82
Growth (%)	36%	64%	126%
Revenue from Operation	1,067.78	785.29	488.01
EBITDA (Operating Profit)	302.46	109.75	90.77
EBITDA Margin (%)	28.33%	13.98%	18.60%
PAT	236.52	83.89	47.07
Growth (%)	182%	78%	216%
PAT Margin (%)	21.73%	10.50%	9.63%
EPS (Basic & Diluted) - (As per end of Restated period)	73.67	26.13	14.66
EPS (Basic & Diluted) - (Post Bonus with retrospective effect)	8.19	2.90	1.63
Total Borrowings	21.63	58.51	126.31
Total Net Worth (TNW)	513.81	297.29	213.40
ROCE (%)	58.13%	37.65%	23.42%
RONW (%)	46.03%	28.22%	22.06%
Debt Equity Ratio (Total Borrowing/TNW)	0.04	0.20	0.59

As certified by M/s. Vishnu Daya & Co LLP, Chartered Accountant the statutory auditors of our Company pursuant to their certificate dated September 30, 2024.



The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 119 and 202 respectively of Draft Prospectus. All such KPIs have been defined consistently and precisely in “**Definitions and Abbreviations**” on page 2 of Draft Prospectus.

Subject to applicable laws, the Company confirms that it shall continue to disclose all the key performance indicators included in this “**Basis for Offer Price**” section, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the date of listing of the Equity Shares on the Stock Exchange; or (ii) till the utilization of the Net Proceeds as disclosed under “**Objects of the Issue**” on page 69 of Draft Prospectus.

#### b. Comparison of KPIs with listed Industry Peers:

Considering the nature and services provided by our company, turnover and size of business of our Company, the peer companies mentioned below are not strictly comparable. However, the below mentioned listed company have been taken into consideration as peer comparative listed companies and has been included for broad comparison only. The below mentioned listed company are those who provide Manpower services as one of their services, i.e. M/s. Integrated Personnel Services Limited, M/s. ANI Integrated Services Limited, M/s. Systango Technologies Limited, M/s. Euphoria Infotech (India) Limited, and M/s. S A Tech Software India Limited.

₹ in lakhs except percentage and ratios

Particulars	Integrated Personnel Services Limited		
	31-03-2024	31-03-2023	31-03-2022
Total Income	20,626.44	16,921.42	14,308.08
Growth (%)	21.90%	18.26%	20.22%
Revenue from Operation	20,572.60	16,873.20	14,269.60
EBITDA (Operating Profit)	738.12	598.29	499.18
EBITDA Margin (%)	3.58%	3.54%	3.49%
PAT	391.58	335.37	274.90
Growth (%)	16.76%	22.00%	77.92%
PAT Margin (%)	1.90%	1.98%	1.92%
EPS (Basic & Diluted)	5.43	5.71	5.45
Total Borrowings	2,460.94	2,183.56	2,438.17
Total Net Worth (TNW)	3,508.08	2,812.75	1,406.82
RONW (%)	11.16%	11.92%	19.54%
Debt Equity Ratio (Total Borrowing/TNW)	0.70	0.78	1.73

₹ in lakhs except percentage and ratios

Particulars	ANI Integrated Services Limited		
	31-03-2024	31-03-2023	31-03-2022
Total Income	18,102.02	15,829.86	14,410.49
Growth (%)	14.35	9.85	40.96
Revenue from Operation	18,032.98	15,729.86	14,332.05
EBITDA (Operating Profit)	839.86	360.99	717.41
EBITDA Margin (%)	4.64%	2.28%	4.98%
PAT	473.46	246.62	603.99
Growth (%)	91.98%	-59.17%	65.50%
PAT Margin (%)	2.62%	1.56%	4.19%
EPS (Basic & Diluted)	4.89	2.55	5.64
Total Borrowings	2,421.46	1,123.13	762.38
Total Net Worth (TNW)	5,165.62	4,692.17	4,445.55
RONW (%)	9.17%	5.26%	13.59%
Debt Equity Ratio (Total Borrowing/TNW)	0.47	0.24	0.17

₹ in lakhs except percentage and ratios

Particulars	Systango Technologies Limited		
	31-03-2024	31-03-2023	31-03-2022
Total Income	5,663.08	4,965.72	3,218.54
Growth (%)	14.04%	54.28%	-
Revenue from Operation	5,267.91	4,838.95	3,107.30
EBITDA (Operating Profit)	1,686.19	1,456.02	759.32
EBITDA Margin (%)	29.78%	29.32%	23.59%
PAT	1,624.20	1,283.40	679.70
Growth (%)	26.55%	88.82%	-
PAT Margin (%)	28.68%	25.85%	21.12%
EPS (Basic & Diluted)	11.07	11.71	6.29
Total Borrowings	0.28	-	-
Total Net Worth (TNW)	7,728.60	6,129.51	1,737.47
RONW (%)	21.02%	20.94%	39.12%
Debt Equity Ratio (Total Borrowing/TNW)	0.00	-	-

₹ in lakhs except percentage and ratios

Particulars	Euphoria Infotech (India) Limited		
	31-03-2024	31-03-2023	31-03-2022
Total Income	602.64	737.56	493.87
Growth (%)	-18.29%	49.34%	-11.20%
Revenue from Operation	601.40	736.73	465.16
EBITDA (Operating Profit)	152.94	214.67	25.31
EBITDA Margin (%)	25.38%	29.11%	5.12%
PAT	92.58	129.71	19.90
Growth (%)	-28.63%	551.81%	-23.96%
PAT Margin (%)	15.36%	17.59%	4.03%
EPS (Basic & Diluted)	4.40	6.17	1.02
Total Borrowings	89.85	155.09	123.06
Total Net Worth (TNW)	1,642.35	409.78	280.46
RONW (%)	5.64%	31.65%	7.10%
Debt Equity Ratio (Total Borrowing/TNW)	0.05	0.38	0.44

₹ in lakhs except percentage and ratios

Particulars	S A Tech Software India Limited		
	31-03-2024	31-03-2023	31-03-2022
Total Income	7,238.12	5,673.05	4,154.37
Growth (%)	27.59%	36.56%	-
Revenue from Operation	7,188.22	5,639.31	4,106.11
EBITDA (Operating Profit)	838.32	487.45	(421.47)
EBITDA Margin (%)	11.58%	8.59%	-10.15%
PAT	368.86	108.59	(548.25)
Growth (%)	239.68%	-119.81%	-
PAT Margin (%)	5.10%	1.91%	-13.20%
EPS (Basic & Diluted)	4.06	1.20	(6.07)
Total Borrowings	1,288.12	1,459.18	1,959.34
Total Net Worth (TNW)	1,166.35	772.48	663.89
RONW (%)	31.63%	14.06%	-82.58%
Debt Equity Ratio (Total Borrowing/TNW)	1.10	1.89	2.95

Source: All the financial information for listed industry peer mentioned above is sourced from the regulatory filings made by aforesaid companies to stock exchanges for the respective year/ period to compute the corresponding financial ratios.

### Explanation for the Key Performance Indicators

1. Total Income means Revenue from Operations and Other Incomes as appeared in the Restated Financial Statements;
2. Total Income Growth (%) is calculated as a percentage of Total Income of the relevant period minus Total Income of the preceding period, divided by Total Income of the preceding period.
3. Revenue from operations means Revenue from Operations as appearing in the Restated Financial Statements;
4. EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back finance costs, depreciation and amortisation and impairment expense and reducing other income;
5. EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations;
6. PAT represents total profit after tax for the year / period;
7. PAT Growth (%) is calculated as a percentage of PAT of the relevant period minus PAT of the preceding period, divided by PAT of the preceding period.
8. PAT Margin is calculated as PAT divided by total income;
9. Basic and Diluted EPS = PAT divided by weighted average no. of equity shares outstanding during the year / period, as adjusted for changes in capital due to sub-division of equity shares; For Diluted EPS, the weighted no. of shares shall include the impact of potential convertible securities;
10. Total Borrowings are calculated as total of current and non-current borrowings;
11. "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as per SEBI ICDR Regulations;
12. "RONW" is calculated Profit after Tax for the period / Net Worth
13. Debt Equity Ratio: This is defined as total debt divided by total equity. Total debt is the sum of total current & noncurrent borrowings; total equity means sum of equity share capital and other equity;

### Explanation for Key Performance Indicators metrics

Set out below are explanations for how the KPIs listed above have been used by the management historically to analyse, track or monitor the operational and/or financial performance of our Company:

KPI	Explanation
Total Income	Total income is used by the management to track revenue from operations and other income.
Total Income Growth (%)	Total Income growth provides information regarding the growth of the Total Income for the respective period
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size 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 (PAT) for the year / period provides information regarding the overall profitability of the business
PAT Growth (%)	Profit after tax growth provides information regarding the growth of the operational performance for the respective period
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business
EPS (Basic & Diluted) (%)	EPS provide information on per share profitability of our Company which helps us in taking key corporate finance decisions
Total Borrowings	Total Borrowings is used by us to track our leverage position on time to time
Net Worth	Net worth is used to track the book value and overall value of shareholders' equity
RONW	RONW provides how efficiently our Company generates earnings for the equity shareholders of the Company.
Debt Equity Ratio	Debt to Equity Ratio is used to measure the financial leverage of our Company and provides comparison benchmark against peers

## 7. 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 have been no issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Draft 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)), 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 / convertible securities)

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

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 Promoters / Promoter Group members 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 irrespective of the size of transactions, is as below:

#### Primary Transaction:

Date of Allotment	No. of Equity Shares	Face Value (in ₹)	Issue Price (in ₹)	Nature/Reason of Allotment	Nature of Consideration	Total Consideration (in ₹)
07.03.2022	4,290	10.00	116.67	Rights Issue	Cash	5,00,000
24.03.2022	3,892	10.00	334.00	Preferential Issue	Cash	13,00,000
28.03.2022	2,395	10.00	334.00	Preferential Issue	Cash	8,00,000
30.03.2022	10,479	10.00	334.00	Preferential Issue	Cash	35,00,000
<b>Total</b>	<b>21,056</b>					<b>61,00,000</b>
<b>Weighted Average Cost of Acquisition (WACA) per Equity Share</b>						<b>289.70</b>
<b>Weighted average cost of acquisition after Bonus Shares Adjustment*</b>						<b>32.19</b>

\* On 13.06.2024, our Company has issued Bonus Share in the ratio of (8:1) i.e., Eight Equity Shares for every One fully paid-up equity share held by existing shareholders of Face Value Rs. 10/- each.

#### Secondary Transaction:

Date of Allotment/ Transfer	No. of Equity Shares	Face Value (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of acquisition (Allotment/ Acquired/ transfer)	Nature of Consideration	Percentage of Pre-Issue Equity Share Capital (%)
Nil						

**(d) Weighted Average Cost of Acquisition and Offer Price**

Type of Transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Offer Price (i.e. ₹ 100/-)
Weighted average cost of acquisition of primary / new issue as per paragraph 7(a) above.	N.A. <sup>^</sup>	N.A. <sup>^</sup>
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 7(b) above.	N.A. <sup>^^</sup>	N.A. <sup>^^</sup>
Weighted average cost of acquisition of primary issuances /secondary transactions as per paragraph 7(c) above	32.19	3.11 times

<sup>^</sup>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 Prospectus.

<sup>^^</sup>There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) as mentioned in paragraph 8(b) above, in last 18 months from the date of this Draft Prospectus.

8. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue Price of ₹ 100/- per Equity Share is 10.0 times the face value.
9. The Issue Price of ₹ 100/- is determined by our Company in consultation with the Lead Manager and is justified based on the above accounting ratios. For further details, please refer to the section titled **“Risk Factors”**, and chapters titled **“Our Business”** and **“Financial Statements as Restated”** beginning on page no. 21, 119 and 169, respectively of this Draft Prospectus.

**STATEMENT OF POSSIBLE TAX BENEFITS**

To,  
The Board of Directors  
Netanalytiks Technologies Limited  
(*Erstwhile known as Netanalytiks Technologies Private Limited*)  
91 Springboard Gopala Krishna,  
Complex no 45/3 Residency Rd MG Rd,  
Museum Road, Bangalore - 560025

Dear Sirs,

**Ref: Proposed Initial Public Offering (“IPO”) of Equity Shares by Netanalytiks Technologies Limited (“The Issuer”)**

**Sub: Statement of possible Special tax benefit (‘the Statement’) available to Netanalytiks Technologies Limited and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the ‘Regulations’)**

We hereby confirm that the enclosed annexure, prepared by **Netanalytiks Technologies Limited (“the Company or the Issuer”)** states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 (‘Act’) as amended time to time, the Gift Tax Act, 1958, 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 the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated 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 hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, 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.

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

- the Company or its Shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

The contents of this annexure 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 and the provisions of the tax laws.



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 change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus ("Draft Offer Document/Offer Document") or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Signed in terms of our separate report of even date.

Thanking You,  
**For Vishnu Daya & Co LLP**  
Chartered Accountants  
Firm Registration Number: 008456S/S200092

Sd/-

**CA Hariprasad P**  
Designation: Designated Partner  
Membership Number: 219987  
Place: Bengaluru  
Date: 10/09/2024  
UDIN: 24219987BKBLSL9182

### **Annexure to the statement of possible Tax Benefits**

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

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

#### **1. Special Tax Benefits available to the Company under the Act:**

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

#### **2. Special Tax Benefits available to the shareholders of the Company**

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

#### **Notes:**

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

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

Signed in terms of our separate report of even date.

Thanking You,  
**For Vishnu Daya & Co LLP**  
Chartered Accountants  
Firm Registration Number: 008456S/S200092

Sd/-

**CA Hariprasad P**  
Designation: Designated Partner  
Membership Number: 219987  
Place: Bengaluru  
Date: 10/09/2024  
UDIN: 24219987BKBLSL9182

## SECTION VIII: ABOUT THE COMPANY AND THE INDUSTRY

### INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is obtained or extracted from “www.ibef.org” and also extracted from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. 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 and, accordingly, investment decisions should not be based on such information. 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.

### INDIAN ECONOMY OVERVIEW

#### Introduction

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. 295.36 lakh crores (US\$ 3.54 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 9.6% 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 second half of FY24. During the period April-June 2025, India’s exports stood at US\$ 109.11 billion, with Engineering Goods (25.35%), Petroleum Products (18.33%) and electronic goods (7.73%) 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. 173.82 lakh crores (US\$ 2.08 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 8.2% 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.

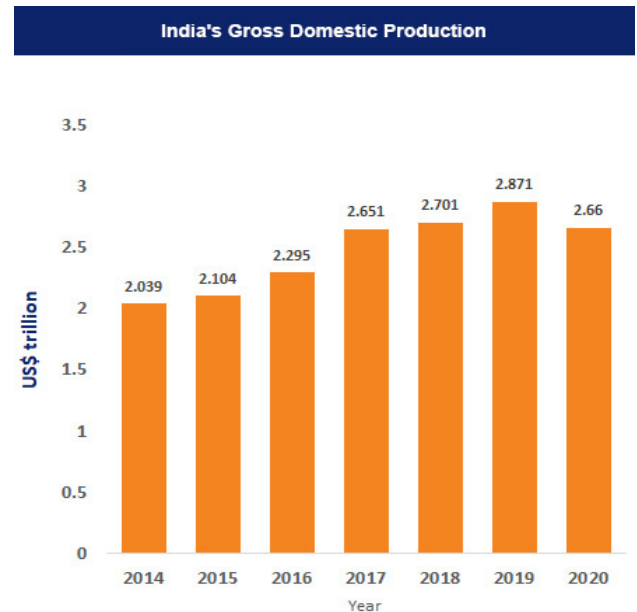
According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US\$ 23.2 billion for the 2023-24 compared to US\$ 67.0 billion or 2.0% of GDP in the preceding year. This was largely due to decrease in merchandise trade deficit.

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 July 5, 2024, India's foreign exchange reserves stood at US\$ 657.15 billion.
- In May 2024, India saw a total of US\$ 6.9 billion in PE-VC investments.
- Merchandise exports in June 2024 stood at US\$ 35.20 billion, with total merchandise exports of US\$ 109.96 billion during the period of April 2024 to June 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 3<sup>rd</sup> position in the global number of scientific publications.
- In June 2024, the gross Goods and Services Tax (GST) stood at highest monthly revenue collection at Rs. 1.74 lakh crore (US\$ 20.83 billion) vs Rs. 1.73 lakh crore (US\$ 20.71 billion)
- Between April 2000–March 2024, cumulative FDI equity inflows to India stood at US\$ 97 billion.
- In May 2024, the overall IIP (Index of Industrial Production) stood at 154.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 136.5, 149.7 and 229.3, respectively, in May 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.08% (Provisional) for June 2024.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 13.89 billion) in India during January- (up to 15<sup>th</sup> July) 2024.
- The wheat procurement during Rabi Marketing Season (RMS) 2024-25 (till May) was estimated to be 266 lakh metric tonnes (LMT) and the rice procured in Kharif Marketing Season (KMS) 2024-25 was 400 LMT.



## 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 'Aatmanirbhar 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.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry, and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.

- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of Aatmanirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.



- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

## 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.

**Note:** Conversion rate used for January 2024 is Rs.1 = US\$ 0.012

## Union Budget 2024-25

Union Budget 2024–25 builds on the vision set out in the previous budgets and provides a blueprint for steering the economy towards a sustained high-growth trajectory. The Union Minister of Finance and Corporate Affairs Ms. Nirmala Sitharaman presented the Union Budget 2024-25 in the Parliament on July 23, 2024.

### Key Highlights:

- Revised target for fiscal deficit estimated at 4.9% of GDP for FY25.
- For 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.
- The net tax receipts are estimated at Rs. 25.83 lakh crore (US\$ 309.23 billion).
- The standard deduction (under the new tax regime) for salaried employees is proposed to be increased from Rs. 50,000 (US\$ 597) to Rs. 75,000 (US\$ 896), providing relief to about four crore salaried individuals and pensioners.
- The exemption limit for capital gains on certain financial assets is proposed to be increased from Rs. 1 lakh (US\$ 1,194) to Rs. 1.25 lakh (US\$ 1,493) per year.
- Capital gains taxation is proposed to be significantly simplified, with short-term gains on certain financial assets attracting a tax rate of 20% instead of 15%.
- Long-term gains on all financial and non-financial assets, on the other hand, will attract a tax rate of 12.5% instead of 10%.
- The deduction of employer contributions towards NPS (under the new tax regime) is proposed to be increased from 10% to 14% of the employee's salary.
- Securities transaction tax (STT) on Futures and Options (F&O) increased to 0.02% and 0.1%.
- Tax deducted at source (TDS) rate on e-commerce has been reduced to 0.1% from 1.0%.
- The finance minister introduced the prime minister's package of 5 schemes and initiatives to facilitate employment, skilling and other opportunities for 4.1 crore youth over a 5-year period with a central outlay of Rs. 2 lakh crore (US\$ 23.94 billion).
- Allocation of Rs. 11.11 lakh crore (US\$ 133.02 billion) towards infrastructure development, which is 3.4% of GDP.
- Allocation of more than Rs. 3 lakh crore (US\$ 35.92 billion) for schemes benefitting women and girls.
- Scheme for providing internship opportunities in 500 top companies to 1 crore youth in 5 years. Allowance of Rs. 5,000 per month (US\$ 59.75) along with a one-time assistance of Rs. 6,000 (US\$ 71.7) through the CSR funds.
- To make urban housing affordable Rs. 2.2 lakh crore (US\$ 26.34 billion) has been allocated.
- Allocation of Rs. 2.66 lakh crore (US\$ 31.78 billion) for rural development projects.
- For agriculture and allied sectors, Rs. 1.52 lakh crore (US\$ 18.16 billion) approved, with a goal to initiate one crore farmers into natural farming over the next two years.
- Bihar development: Investment in road connectivity projects including Patna-Purnea expressway, Buxar-Bhagalpur highway and an additional two-lane bridge over the Ganga in Buxar for Rs. 26,000 crore (US\$ 3.11 billion) along with a new 2,400 MW power plant at Pirpainti costing Rs. 21,400 crore (US\$ 2.56 billion).
- The government will provide financial support of Rs. 15,000 crore (US\$ 1.80 billion) in the current financial year to Andhra Pradesh through the Andhra Pradesh Reorganization Act.
- Through the Accelerated Irrigation Benefit Programme and other sources, the government will provide financial support for projects with estimated cost of Rs. 11,500 crore (US\$ 1.38 billion).
- Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) extended for five years, benefiting over 80 crore people.
- New assessment model for MSME credit: Public sector banks will internally assess MSMEs for credit and develop a new credit assessment model based on digital footprints, a modern alternative to traditional criteria. This approach will also cater to MSMEs without formal accounting systems.
- Mudra Loans limit extended to Rs. 20 lakh (US\$ 23,896) from Rs. 10 lakh (US\$ 11,948) for those who have availed and repaid previous loans.

### PART-A

- **Budget theme:** The Union Budget 2024–25 is focused on **employment, skilling, MSMEs, and the middle class**. Prime Minister's package of 5 schemes and initiatives to facilitate employment, skilling and other opportunities for 4.1 crore youth over a 5-year period with a central outlay of Rs. 2 lakh crore (US\$ 23.94 billion). Provision of Rs. 1.48 lakh crore (US\$ 17.72 billion) for education, employment and skilling.

- **Budget priorities:** In pursuit of 'Viksit Bharat' and the strategy set out in the interim budget, this budget includes the following 9 priorities for generating ample opportunities for all:
  - Productivity and Resilience in Agriculture
  - Employment & Skilling
  - Inclusive Human Resource Development and Social Justice
  - Manufacturing & Services
  - Urban Development
  - Energy Security
  - Infrastructure
  - Innovation, Research & Development
  - Next-generation Reforms

#### Priority 1: Productivity and Resilience in Agriculture

- **Transforming agriculture research:** The government will undertake a comprehensive review of the agriculture research setup to bring the focus on raising productivity and developing climate-resilient varieties. Funding will be provided in a challenge mode, including to the private sector. Domain experts both from the government and outside will oversee the conduct of such research.
- **Release of new varieties:** New 109 high-yielding and climate-resilient varieties of 32 field and horticulture crops will be released for cultivation by farmers.
- **Natural farming:** In the next two years, 1 crore farmers across the country will be initiated into natural farming supported by certification and branding. Implementation will be through scientific institutions and willing gram panchayats. A total of 10,000 need-based bio-input resource centres will be established.
- **Missions for pulses and oilseeds:** A strategy is being put in place to achieve 'atmanirbharta' in oil seeds such as mustard, groundnut, sesame, soybean and sunflower.
- **Shrimp production & export:** Financing for shrimp farming, processing and export will be facilitated through NABARD.
- **Vegetable production and supply chains:** Large-scale clusters for vegetable production will be developed closer to major consumption centres. Promotion of farmer-producer organisations, cooperatives and start-ups for vegetable supply chains including for collection, storage and marketing will be encouraged.
- **Digital public infrastructure (DPI) for agriculture:** The government, along with states, plans to implement DPI in agriculture within 3 years, starting with digital crop surveys in 400 districts this year for kharif. The initiative aims to register the details of 6 crore farmers and their lands and enable the issuance of Jan Samarth based Kisan Credit Cards in 5 states.
- **Budgetary allocation:** There has been a provision of Rs. 1.52 lakh crore (US\$ 18.20 billion) for the agriculture and allied sector.

#### Priority 2: Employment & Skilling

- **Employment Linked Incentive:** The government will introduce three schemes under the Prime Minister's package for 'Employment Linked Incentive' based on EPFO enrolment.
  - Scheme A (First-Timers): One-month salary will be provided to new employees in formal sectors up to Rs. 15,000 (US\$ 179.22) in 3 instalments for those earning up to Rs. 1 lakh per month (US\$ 1,194.82), benefiting 210 lakh youth.
  - Scheme B (Job Creation in manufacturing): Focuses on job creation in manufacturing by incentivising additional employment for first-time employees and their employers, with respect to their EPFO contributions in the first 4 years, benefitting 30 lakh youth.
  - Scheme C (support to employers): Supports employers by reimbursing up to Rs. 3,000 (US\$ 35.84) per month for 2 years towards EPFO contributions for each additional employee within a salary of Rs. 1 lakh (US\$ 1,194.82) per month, aiming to incentivise employment of 50 lakh individuals.
- **Participation of women in the workforce:** Facilitate a higher participation of women in the workforce by setting up working women hostels in collaboration with the industry and establishing creches, in addition to organising women-specific skilling programmes and promotion of market access for women SHG enterprises.
- **Skilling programme:** A new scheme under the Prime Minister's package will skill 20 lakh youth over 5 years by upgrading 1,000 Industrial Training Institutes in collaboration with states and the industry. Courses will align with the industry needs by introducing new programmes for emerging skills.
- **Skilling loans:** The Model Skill Loan Scheme will be revised to facilitate loans up to Rs. 7.5 lakh (US\$ 8,961) with a guarantee from a government promoted fund, helping 25,000 students every year.

- **Education loans:** Financial support announced for youth ineligible for government schemes, such as loans up to Rs. 10 lakh (US\$ 11,948.21) for higher education in domestic institutions and E-vouchers providing an annual interest subvention of 3% on the loan amount for 1 lakh students yearly.

### Priority 3: Inclusive Human Resource Development and Social Justice

- **Saturation approach:** The government is dedicated to holistic development, focusing on farmers, youth, women and the underprivileged. A saturation approach will be used to cover all eligible individuals through various programmes for education and health to enhance their capabilities. The implementation of schemes supporting economic activities will be intensified.
- **Purvodaya:** A plan named “Purvodaya” will be developed for the holistic growth of Bihar, Jharkhand, West Bengal, Odisha and Andhra Pradesh in the eastern region. This initiative aims to boost human resources, infrastructure and economic opportunities. It includes support for an industrial node at Gaya along the Amritsar–Kolkata Industrial Corridor, showcasing the “Vikas bhi Virasat bhi” in the growth trajectory. Road projects costing Rs. 26,000 crore (US\$ 3.11 billion) like the Patna–Purnea Expressway will be initiated, along with a new 2,400 MW power plant at Pirpainti costing Rs. 21,400 crore (US\$ 2.56 billion). Additionally, developments in airports, medical colleges and sports infrastructure in Bihar are planned, with increased capital investments and expedited external funding requests from multilateral development banks.
- **Andhra Pradesh Reorganization Act:** The government is committed to fulfilling the commitments under the Andhra Pradesh Reorganization Act. Special financial support through multilateral development agencies will be facilitated for the state's capital needs, with Rs. 15,000 crore (US\$ 1.80 billion) arranged in the current financial year and additional amounts in the future. Funding for the Polavaram Irrigation Project, crucial for Andhra Pradesh's farmers and national food security, will be ensured for early completion. Industrial development in the Kopparthi and Orvakal nodes will receive funds for essential infrastructure like water, power, railways and roads on key industrial corridors. Additional capital investment will be allocated this year for economic growth, along with grants for the backward regions of Rayalaseema, Prakasam and North Coastal Andhra, as mandated in the Act.
- **PM Awas Yojana:** Three crore additional houses under the PM Awas Yojana in rural and urban areas in the country have been announced, for which the necessary allocations are being made.
- **Women-led development:** For promoting women-led development, the budget carries an allocation of more than Rs. 3 lakh crore (US\$ 35.92 billion) for schemes benefitting women and girls, signalling the government’s commitment for enhancing women’s role in economic development.
- **Pradhan Mantri Janjatiya Unnat Gram Abhiyan:** Launch of the Pradhan Mantri Janjatiya Unnat Gram Abhiyan, adopting saturation coverage for tribal families in tribal-majority villages and aspirational districts across 63,000 villages benefitting 5 crore tribal people.
- **Bank branches in the North-East region:** More than 100 branches of India Post Payment Bank will be set up in the North-East region to expand the banking services.
- **Budgetary allocation:** This year, there has been a provision of Rs. 2.66 lakh crore (US\$ 31.84 billion) for rural development including rural infrastructure.

### Priority 4: Manufacturing & Services

- **Support for promotion of MSMEs:** Special attention has been given to MSMEs and manufacturing, particularly labour-intensive manufacturing along with formulating a package covering financing, regulatory changes and technology support for MSMEs to help them grow and compete globally. Below are some of the measures specifically designed for MSMEs:
  - **Credit guarantee scheme for MSMEs in the manufacturing sector:** A credit guarantee scheme will be introduced for MSMEs to obtain term loans for machinery and equipment purchase without collateral or third-party guarantee. The scheme will pool credit risks, with a self-financing guarantee fund providing cover up to Rs. 100 crore (US\$ 11.97 million) per applicant, even for larger loan amounts. Borrowers will pay upfront and annual guarantee fees.
  - **New assessment model for MSME credit:** Public sector banks will internally assess MSMEs for credit and develop a new credit assessment model based on digital footprints, a modern alternative to traditional criteria. This approach will also cater to MSMEs without formal accounting systems.
  - **Credit support to MSMEs during stress period:** A new mechanism will support MSMEs in accessing credit during their stress period in the 'special mention account' (SMA) stage. Government-backed guarantees will ensure credit availability to prevent MSMEs from entering the non-performing asset (NPA) stage.



- **Mudra loans:** The limit of Mudra loans will be enhanced to Rs. 20 lakh (US\$ 23,896) from the current Rs. 10 lakh (US\$ 11,948) for those entrepreneurs who have availed and successfully repaid previous loans under the ‘Tarun’ category.
- **Enhanced scope for mandatory onboarding in TReDS:** The turnover threshold for mandatory onboarding on the TReDS platform will be reduced from Rs. 500 crore (US\$ 59.86 million) to Rs. 250 crore (US\$ 29.93 million), adding 22 CPSEs and 7,000 companies. Medium enterprises will also be included as suppliers.
- **SIDBI branches in MSME clusters:** SIDBI will open new branches to serve all major MSME clusters within 3 years, providing direct credit. By opening 24 branches this year, the service coverage will expand to 168 out of 242 major clusters.
- **MSME units for food irradiation, quality & safety testing:** Financial support for setting up of 50 multi-product food irradiation units in the MSME sector will be provided. Setting up of 100 food quality and safety testing labs with NABL accreditation will be facilitated.
- **E-commerce export hubs:** To enable MSMEs and traditional artisans to sell their products in international markets, E-commerce export hubs will be set up in the public private-partnership (PPP) mode.
- **Measures for promotion of manufacturing services:**
  - **Internship in top companies:** A scheme will provide internship opportunities in 500 top companies to 1 crore youth over 5 years. Participants will receive a monthly allowance of Rs. 5,000 and a one-time assistance of Rs. 6,000. Companies will bear the training cost, and 10% of the internship cost can be allocated from their CSR funds.
  - **Industrial parks:** The government will facilitate the development of investment-ready “plug and play” industrial parks with complete infrastructure in or near 100 cities, in partnership with the states and private sector, by better using town planning schemes. A total of 12 industrial parks under the National Industrial Corridor Development Programme will also be sanctioned.
  - **Rental housing:** Rental housing with dormitory-type accommodation for industrial workers will be facilitated in the PPP mode with viability gap funding (VGF) support and commitment from anchor industries.
  - **Shipping industry:** Ownership, leasing and flagging reforms will be implemented to improve the share of the Indian shipping industry and generate more employment.
  - **Critical Mineral Mission:** Setting up of the Critical Mineral Mission for domestic production, recycling of critical minerals and overseas acquisition of critical mineral assets.
  - **Offshore mining of minerals:** The government will launch the auction of the first tranche of offshore blocks for mining, building on the exploration already carried out.
  - **Digital public infrastructure (DPI) applications:** Development of DPI applications at the population scale is proposed to drive productivity and innovation in the services sector. Applications will cover credit, e-commerce, education, health, law and justice, logistics, MSME, services delivery and urban governance.
  - **Integrated technology platform for IBC eco-system:** An integrated technology platform will be set up for improving the outcomes under the Insolvency and Bankruptcy Code (IBC) for achieving consistency, transparency, timely processing and better oversight for all stakeholders.
  - **Voluntary closure of LLPs:** The services of the Centre for Processing Accelerated Corporate Exit (C-PACE) will be extended for the voluntary closure of LLPs to reduce the closure time.
  - **National Company Law Tribunals:** The IBC has resolved 1,000+ companies, recovering over Rs. 3.3 lakh crore (US\$ 39.51 billion) for creditors. A total of 28,000 cases involving Rs. 10 lakh crore (US\$ 119.72 billion) have been disposed of. Reforms will be made to speed up insolvency resolution, including establishing additional tribunals to exclusively handle the Companies Act cases.

#### Priority 5: Urban Development

- **Urban housing:** PM Awas Yojana Urban 2.0 will address housing needs for 1 crore urban families with an investment of Rs. 10 lakh crore (US\$ 119.72 billion), including Rs. 2.2 lakh crore (US\$ 26.34 billion) central assistance over 5 years. Interest subsidies for affordable loans and improved rental housing market policies will also be implemented.
- **Transit-oriented development:** Transit-oriented development plans for 14 large cities with a population above 30 lakh will be formulated, along with an implementation and financing strategy.
- **Stamp duty:** States charging a high stamp duty will be encouraged to lower rates for all and consider further reductions for properties bought by women. This reform will be integrated as a key element of urban development schemes.



- **Cities as Growth Hubs:** Collaborating with states, the government will promote the development of 'Cities as Growth Hubs' by focusing on economic and transit planning, as well as the organised development of peri-urban areas using town-planning schemes.
- **Water supply and sanitation:** In collaboration with state governments and multilateral development banks, the government will support water supply, sewage treatment and solid waste management projects for 100 large cities through bankable projects. These initiatives will include the use of treated water for irrigation and filling tanks in nearby areas.
- **Street markets:** Expanding on the success of the PM SVANidhi Scheme for street vendors, the Government plans to establish 100 weekly 'haats' or street food hubs annually in select cities over the next five years.

#### Priority 6: Energy Security

- **Energy transition:** The government will release a policy document outlining energy transition pathways to ensure sustainable economic growth, energy security and environmental sustainability.
- **PM Surya Ghar Muft Bijli Yojana:** The PM Surya Ghar Muft Bijli Yojana aims to provide free electricity up to 300 units per month through rooftop solar plants to 1 crore households. With over 1.28 crore registrations and 14 lakh applications, the scheme has received significant interest and will be further promoted.
- **Pumped storage policy:** A policy for promoting pumped storage projects will be brought out for electricity storage and facilitating smooth integration of the growing share of renewable energy with its variable & intermittent nature in the overall energy mix.
- **Research and development of small and modular nuclear reactors:** The government will collaborate with the private sector to establish Bharat Small Reactors, conduct research on Bharat Small Modular Reactors and develop new technologies for nuclear energy. R&D funding allocated in the interim budget will support these initiatives.
- **Advanced ultra super critical (AUSC) thermal power plants:** The development of an indigenous technology for AUSC thermal power plants with a much higher efficiency has been completed. A joint venture between NTPC and BHEL will set up a full-scale 800 MW commercial plant using the AUSC technology.
- **Support to traditional micro and small industries:** An investment-grade energy audit of traditional micro and small industries in 60 clusters, including brass and ceramic, will be facilitated. The scheme will be replicated in another 100 clusters in the next phase.

#### Priority 7: Infrastructure

- **Infrastructure investment by central government:** The government has allocated Rs. 11,11,111 crore (US\$ 133.02 billion) for capital expenditure, which is 3.4% of the country's GDP.
- **Infrastructure investment by state governments:** A provision of Rs. 1.5 lakh crore (US\$ 17.96 billion) for long-term interest free loans has been made this year to support the states in their resource allocation.
- **Private investment in infrastructure:** Investment in infrastructure by the private sector will be promoted through VGF and enabling policies and regulations.
- **Pradhan Mantri Gram Sadak Yojana (PMGSY):** Phase IV of PMGSY will be launched to provide all-weather connectivity to 25,000 rural habitations that have become eligible in view of their population increase.
- **Irrigation and flood mitigation:** The government, through the Accelerated Irrigation Benefit Programme and other sources, will provide financial support for projects with estimated cost of Rs. 11,500 crore (US\$ 1.38 billion) such as the Kosi–Mechi intra-state link and 20 other ongoing and new schemes including barrages, river pollution abatement and irrigation projects. There will be assistance to Assam for flood management and related projects. The government will aid Himachal Pradesh for reconstruction and rehabilitation through multilateral development assistance. There will be additional assistance provided to the states of Uttarakhand and Sikkim due to the massive landslides, floods and cloud bursts experienced by them last year.
- **Tourism:** Tourism has been an integral part of the country's civilisation. Following are some of the measures that will be taken to boost tourism.
  - The Vishnupad Temple Corridor and Mahabodhi Temple Corridor will be supported and modelled on the successful example of the Kashi Vishwanath Temple Corridor to transform them into world class pilgrim and tourist destinations.

- Rajgir holds immense religious significance for Hindus, Buddhists and Jains. A comprehensive development initiative for Rajgir will be undertaken.
- Support the development of Nalanda as a tourist centre besides reviving Nalanda University to its glorious stature.
- Aid the development of Odisha's tourism spots.

#### Priority 8: Innovation, Research & Development

- The government will operationalise the Anusandhan National Research Fund for basic research and prototype development. Further, it will set up a mechanism for spurring private sector-driven research and innovation at commercial scale with a financing pool of Rs. 1 lakh crore (US\$ 11.97 billion) in line with the announcement in the interim budget.
- **Space economy:** With the government's continued emphasis on expanding the space economy by 5 times in the next 10 years, a venture capital fund of Rs. 1,000 crore (US\$ 119.72 million) will be set up.

#### Priority 9: Next Generation Reforms

- **Economic policy framework:** The government will initiate and incentivise reforms for (1) improving productivity of factors of production, and (2) facilitating markets and sectors to become more efficient. For promoting competitive federalism and incentivising states for faster implementation of reforms, the government proposes to earmark a significant part of the 50-year interest-free loan. Working with the states, the government will initiate the following reforms:
- **Land-related reforms by state governments:** Land-related reforms and actions, both in rural and urban areas, will cover (1) land administration, planning and management, and (2) urban planning, usage and building bylaws and will be incentivised for completion within the next 3 years.
  - **Rural-land-related actions:** This will include:
    - assignment of Unique Land Parcel Identification Number (ULPIN) or Bhu-Aadhaar for all lands;
    - digitalisation of cadastral maps;
    - survey of map sub-divisions as per current ownership;
    - establishment of land registry;
    - linking to the farmers registry.
  - **Urban-land-related actions:** Land records in urban areas will be digitalised with GIS mapping. Further, an IT-based system for property record administration, updating, and tax administration will be established.
- **Labour-related reforms**
  - **Services to labour:** A comprehensive integration of the e-Shram portal with other portals will facilitate such one-stop solution. Open architecture databases for the rapidly changing labour market, skill requirements and available job roles, and a mechanism to connect job-aspirants with potential employers and skill providers will be covered in these services.
  - **Shram Suvidha & Samadhan portals:** Shram Suvidha and Samadhan portals will be revamped to enhance ease of compliance for industry and trade.
- **Capital and entrepreneurship related reforms**
  - **Financial sector vision and strategy:** To meet the financing needs of the economy, the government will bring out a financial sector vision and strategy document to prepare the sector in terms of size, capacity and skills and set the agenda for the next 5 years.
  - **Taxonomy for climate finance:** The government will develop a taxonomy for climate finance to enhance the availability of capital for climate change adaptation and mitigation.
  - **Variable capital company structure:** The government will seek the required legislative approval for providing an efficient and flexible mode for financing leasing of aircraft and ships, and pooled funds of private equity through a 'variable company structure'.
  - **Foreign direct investment and overseas investment:** The rules and regulations for foreign direct investment and overseas investments will be simplified to (1) facilitate foreign direct investments, (2) nudge prioritisation and (3) promote opportunities to use the Indian Rupee as a currency for overseas investments.
  - **NPS Vatsalya:** NPS Vatsalya, a plan for contribution by parents and guardians for minors will be started. Upon attaining the age of majority, the plan will be converted into a normal NPS account.
  - **Use of technology:** Public investment in digital infrastructure and innovations by the private sector have helped in improving access of all citizens, particularly the common people, to market resources, education, health and services.

- **Ease of doing business:** For enhancing ‘Ease of Doing Business’, the government is already working on the Jan Vishwas Bill 2.0.
  - **Data and statistics:** For improving data governance, collection, processing and management of data and statistics, different sectoral data bases, including those established under the Digital India mission, will be utilised with active use of technology tools.
  - **New Pension Scheme (NPS):** The committee formed to review NPS has made considerable progress in its work as the Staff Side of the National Council of the Joint Consultative Machinery for Central Government Employees has taken a constructive approach.
- **Budget Estimates 2024-25**
    - For 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.
    - The net tax receipts are estimated at Rs. 25.83 lakh crore (US\$ 309.23 billion).
    - The fiscal deficit is estimated at 4.9% of GDP.
    - The gross and net market borrowings through dated securities during 2024-25 are estimated at Rs. 14.01 lakh crore (US\$ 167.72 billion) and Rs. 11.63 lakh crore (US\$ 139.23 billion), respectively; both will be less than that in 2023-24.
    - The fiscal consolidation path announced by the Union Minister of Finance and Corporate Affairs, Ms. Nirmala Sitharaman, in 2021 has served the economy very well, as the economy aims to reach a deficit below 4.5% next year, while the government is committed to staying the course.
    - From 2026-27 onwards, the government’s endeavour will be to target a fiscal deficit each year such that the central government debt as percentage of GDP will be on a declining path.

## PART-B

### INDIRECT TAXES

Proposals for customs duties were designed to support domestic manufacturing, deepen local value addition, promote export competitiveness, and simplify taxation, while prioritising the interests of the general public and consumers.

#### Sector-specific customs duty proposals

##### Medicines and medical equipment

- Three additional medicines exempted from customs duties to provide relief to cancer patients.
- Changes in the Basic Customs Duty (BCD) on x-ray tubes and flat panel detectors for medical x-ray machines proposed under the Phased Manufacturing Programme to align with domestic capacity.

##### Mobile phone and related parts

- The BCD on mobile phones, mobile PCBA, and mobile chargers reduced to 15% following a three-fold increase in domestic production and a near-100-fold jump in exports of mobile phones over the past six years.

##### Critical minerals

- Customs duties fully exempted on 25 critical minerals to support domestic processing and refining, benefiting sectors such as nuclear energy and high-tech electronics.

##### Solar energy

- The list of exempted capital goods for the manufacture of solar cells and panels was expanded to support energy transition. However, customs duty exemptions for solar glass and tinned copper interconnect were not extended due to sufficient domestic manufacturing capacity.

##### Marine products

- The BCD on certain broodstock, polychaete worms, shrimp and fish feed was reduced to 5% to enhance competitiveness in seafood exports. Additionally, customs duty was exempted on various inputs for the manufacture of shrimp and fish feed.

#### **Leather and textiles**

- The BCD on real down-filling material (duck or goose) was reduced to boost competitiveness in leather and textile exports.
- Additions were made to the list of exempted goods for manufacturing leather and textile garments, footwear and other articles for export.
- The BCD on methylene diphenyl diisocyanate (MDI) for spandex yarn manufacturing was reduced from 7.5% to 5% to rectify duty inversion.

#### **Precious metals**

- Customs duties on gold and silver were reduced to 6%, and on platinum to 6.4%, to enhance domestic value addition in gold and precious metal jewellery.

#### **Other metals**

- The BCD on ferro nickel and blister copper was removed to lower production costs.
- The nil BCD on ferrous scrap and nickel cathode was continued, along with a concessional BCD of 2.5% on copper scrap.

#### **Electronics**

- The BCD on oxygen-free copper for resistor manufacturing was removed, subject to conditions, to increase value addition in the domestic electronics industry.
- Certain parts for connector manufacturing were also exempted.

#### **Chemicals and petrochemicals**

- The BCD on ammonium nitrate was increased from 7.5% to 10% to support existing and new capacities.

#### **Plastics**

- The BCD on PVC flex banners was raised from 10% to 25% to curb imports of these non-biodegradable and hazardous materials.

#### **Telecommunication equipment**

- The BCD on PCBA of specified telecom equipment was increased from 10% to 15% to incentivise domestic manufacturing.

#### **Trade facilitation**

- The period for exporting goods imported for repairs was extended from six months to one year to promote domestic aviation and boat & ship MRO.
- Similarly, the time limit for re-importing goods for repairs under warranty was extended from three years to five years.

#### **DIRECT TAXES**

- A comprehensive review of the Income-tax Act, 1961, has been announced to make the Act concise, lucid and easy to understand, aimed at reducing disputes and litigation.
- The government aims to simplify the tax filing process for individual taxpayers by introducing a one-page tax return form for those with straightforward income sources.
- Two tax exemption regimes for charities are proposed to be merged into one to streamline the process. The 5% TDS rate on many payments will be merged into the 2% TDS rate, while the 20% TDS rate on mutual fund repurchases will be withdrawn.
- The TDS rate on e-commerce operators is proposed to be reduced from 1% to 0.1%.
- Provisions for reopening and reassessment are proposed to be simplified, allowing reopening only if escaped income exceeds Rs. 50 lakh (US\$ 59,738).
- Capital gains taxation is proposed to be significantly simplified, with short-term gains on certain financial assets attracting a tax rate of 20% instead of 15%.
- Long-term gains on all financial and non-financial assets, on the other hand, will attract a tax rate of 12.5% instead of 10%.

- The exemption limit for capital gains on certain financial assets is proposed to be increased to Rs. 1.25 lakh (US\$ 1,493) per year.
- Monetary limits for filing appeals related to direct taxes, excise, and service tax are proposed to be increased to Rs. 60 lakhs (US\$ 71,693), Rs. 2 crores (US\$ 239,808), and Rs. 5 crores (US\$ 599,520) respectively.
- To promote investment and foster employment, the government proposes to abolish the so-called angel tax for all classes of investors.
- A simpler tax regime for foreign shipping companies operating domestic cruises is proposed to boost cruise tourism in India.
- Safe harbour rates for foreign mining companies selling raw diamonds in India will be introduced to support the diamond industry.
- The corporate tax rate for foreign companies is proposed to be reduced from 40% to 35% to attract foreign capital.
- The Security Transactions Tax on futures and options is proposed to be increased to 0.02% and 0.1% respectively.
- The deduction of employer contributions towards NPS (under the new tax regime) is proposed to be increased from 10% to 14% of the employee's salary.
- The government plans to introduce a simplified tax regime for freelancers and gig economy workers to provide clarity and ease of compliance, along with tax credits for employers who hire individuals from marginalised communities to promote inclusive employment.
- The standard deduction (under the new tax regime) for salaried employees is proposed to be increased from Rs. 50,000 (US\$ 597) to Rs. 75,000 (US\$ 896), providing relief to about four crore salaried individuals and pensioners.
- No changes were made in the tax slabs under the old regime.

## STAFFING INDUSTRY REPORT

According to Indian Flexi Staffing Federation's (IFS) Annual Flexi Staffing Industry Employment Trend Report 2023, the flexi staffing industry of India witnessed a 14% growth in new jobs in FY23.

As per a statement, over 1.77 lakh new flexi jobs were added by the members of the industry body IFS in FY23, which was majorly driven by a spur in employment particularly in key sectors such as e-commerce, logistics, manufacturing, tourism and hospitality, FMCG, consumer durables, and healthcare.

Moreover, in FY23, women's participation in the flexi workforce accounted for about 24%.

The combined contribution of both General Flexi Staffing and IT Flexi Staffing industries was represented in the report. Further, it was highlighted that as of March 2023, the total flexi workforce employed by members of ISF reached 14.4 lakh. A growth of 15.3% was observed in new flexi jobs in the General Flexi Staffing sector in FY23, thereby adding around 1.47 lakh new flexi jobs. The demand in this sector was majorly observed in the sectors of FMCG, e-commerce, manufacturing, healthcare, and retail, among others.

In FY23, the staffing industry continued to play an important role in providing freshers and first-time job market entrants with their initial formal employment opportunities.

The Indian Staffing Federation (ISF) reported a 3.6% growth in the staffing industry during the third quarter of FY24, reflecting steady demand for flexible workforce solutions across diverse sectors. This growth trend aligns with the industry's upward trajectory, which witnessed a notable 16.4% year-on-year increase throughout 2023. Key sectors such as e-commerce, retail, logistics, manufacturing, hospitality, and aviation contributed significantly to the rise in employment, underscoring the sector's importance in driving economic activity and providing job opportunities.

By December 2023, the formal flexi workforce employed by ISF members reached 1.62 million individuals, highlighting the sector's substantial contribution to employment generation. While General Flexi Staffing saw a commendable 3.8% quarter-on-quarter growth in Q3 FY24, IT staffing experienced a marginal decline during the same period. President of ISF, Mr. Lohit Bhatia, commended the flexi staffing industry's double-digit growth trend at 16.4% year-on-year, emphasizing its resilience and pivotal role in bolstering India's workforce. ISF remains dedicated to advocating for the recognition, fair treatment, and social security of temporary workers, addressing the needs of this significant segment within India's labour market.

The Indian Staffing Federation (ISF) has released its latest annual employment report, highlighting the growth within the flexible (Flexi) staffing industry. According to the report, fresh employment generation in the flexi staffing industry grew by 15.3% year-over-year during FY24. The total flexi workforce employed by ISF members increased by 220,000, reaching 1.6 million. FMCG, e-commerce, manufacturing, healthcare, retail, logistics, banking, and energy sectors primarily drove this employment demand.

The report also noted that the general staffing industry registered a growth of 16.2%, while the employment in IT staffing contracted by 4.4% during the fiscal year. The IT staffing industry witnessed a gradual recovery in demand, with companies focusing on enhancing productivity to address market pressures. The report highlighted the significant social impact of the staffing industry, particularly in providing freshers and first-time job market entrants with their initial formal employment opportunities. The industry's efforts have facilitated the transition from informal to formal employment, offering social security, employment mobilization, and relevant skills development programs. Additionally, the staffing industry has ensured wage protection for these newcomers, ensuring fair remuneration for their work. It has also led to improved participation of women in the workforce.



## IT AND BPM INDUSTRY REPORT

### Introduction

The IT & BPM sector has become one of the most significant growth catalysts for the Indian economy, contributing significantly to the country’s GDP and public welfare. The IT industry accounted for 7.5% of India’s GDP in FY23, and it is expected to contribute 10% to India’s GDP by 2025.

As innovative digital applications permeate sector after sector, India is now prepared for the next phase of growth in its IT revolution. India is viewed by the rest of the world as having one of the largest Internet user bases and the cheapest Internet rates, with 76 crore citizens now having access to the Internet.

The current emphasis is on the production of significant economic value and citizen empowerment, thanks to a solid foundation of digital infrastructure and enhanced digital access provided by the Digital India Programme. India is one of the countries with the quickest pace of digital adoption. This was accomplished through a mix of government action, commercial innovation and investment, and new digital applications that are already improving and permeating a variety of activities and different forms of work, thus having a positive impact on the daily lives of citizens.

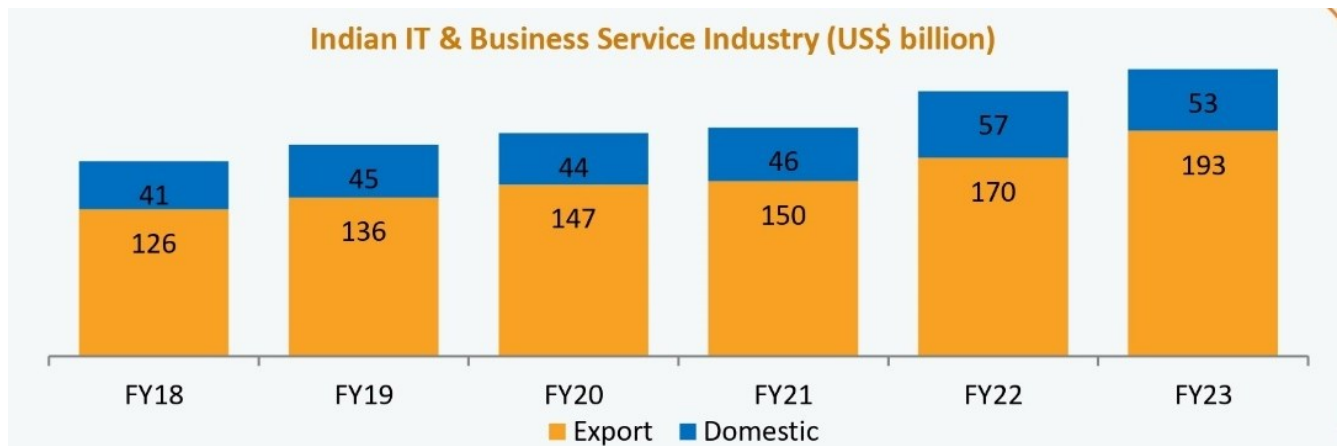
India’s rankings improved six places to the 40<sup>th</sup> position in the 2022 edition of the Global Innovation Index (GII).

### MARKET SIZE

According to the National Association of Software and Service Companies (NASSCOM), the Indian IT industry’s revenue touched US\$ 227 billion in FY22, a 15.5% YoY growth and was estimated to have touched US\$ 245 billion in FY23.

The IT spending in India is estimated to record a double-digit growth of 11.1% in 2024, totalling US\$ 138.6 billion up from US\$ 124.7 billion last year.

The Indian software product industry is expected to reach US\$ 100 billion by 2025. Indian companies are focusing on investing internationally to expand their global footprint and enhance their global delivery centres.



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

India's IT industry is likely to hit the US\$ 350 billion mark by 2026 and contribute 10% towards the country's gross domestic product (GDP), Infomerics Ratings said in a report.

As an estimate, India’s IT export revenue rose by 9% in constant currency terms to US\$ 194 billion in FY23. Exports from the Indian IT services industry stood at US\$ 199 billion in FY24.

The export of IT services has been 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.

Exports from the Indian IT industry stood at US\$ 194 billion in FY23. The export of IT services was the major contributor, accounting for more than 51% of total IT exports (including hardware). BPM, and Software products and engineering services accounted for 19.3% and 22.1% each of total IT exports during FY23.

The IT industry added 2.9 lakh new jobs taking the industry's workforce tally to 5.4 million people in FY23.

## INVESTMENTS/DEVELOPMENTS

Indian IT's core competencies and strengths have attracted significant investment from major countries and companies.

- Direct employment in the IT services and BPO/ITeS segment was estimated to reach 5.4 million in FY23 with an addition of 290,000 people.
- The revenue of India's public cloud services market totalled US\$ 6.2 billion in 2022, and it is expected to reach US\$ 17.8 billion by 2027 growing at a CAGR of 23.4%.
- In November 2022, ICICI Bank introduced two new products for its NRI clients - Loan against Deposits (LAD) and Dollar Bonds, at its branch in GIFT City.
- In November 2022, Amazon Web Services announced the launch of its second AWS infrastructure region in India - the AWS Asia Pacific (Hyderabad) Region. By 2030, it is anticipated that the region will support more than 48,000 full-time jobs annually thanks to investments totalling more than US\$ 4.4 billion in India.
- In November 2022, Google established a partnership with local gaming startup SuperGaming through its Google Cloud division. As part of the collaboration, game developers who use Google Cloud to create, host, and distribute their games will have access to SuperGaming's SuperPlatform game engine.
- HDFC Bank partnered with Flywire to enable their customers to make fee payments digitally to overseas colleges and universities.
- In August 2022, Network People Services Technologies (NPST) announced that it was working on a banking super app. The high-end platform can be used by banks, fintech companies, and other BFSI players, and it will offer a seamless user experience with all banking, financial, and transactional services combined into a robust, smart app.
- In August 2022, PwC India announced that it was planning to hire 10,000 employees in the cloud and digital technologies space over the next five years.
- In October 2022, PE/VC investments in the technology sector stood at US\$ 157 million across 12 deals.
- The computer software and hardware sector in India attracted cumulative foreign investment (FDI) inflows worth US\$ 102.9 billion between April 2000-March 2024. The sector ranked second in FDI inflows as per the data released by the Department for Promotion of Industry and Internal Trade (DPIIT). Computer software and hardware make up 15.6% of the cumulative FDI inflows.
- In July 2022, the Union Bank of India (UBI) launched a Metaverse Virtual Lounge and Open Banking Sandbox environment in partnership with Tech Mahindra.
- In June 2022, ZStack International, a worldwide market leader in cloud computing, IaaS, and PaaS solutions, announced that they were entering India and the SAARC Region.
- In June 2022, Redington India, an IT provider, entered into a multi-year strategic agreement with Amazon Web Services (AWS) to drive cloud technology adoption in India.
- American-Irish consumer credit reporting company Experian is planning a major expansion of its global innovation centre (GIC) in Hyderabad to about 4,000 employees over the next three to five years. According to sources, GIC will concentrate on employing emerging technologies in the BFSI (banking, financial services, and insurance) sector, including cloud computing, big data analytics, artificial intelligence, and machine learning.
- In 2021, PE investments in the IT sector stood at US\$ 23.4 billion.
- India's IT startup ecosystem received record investments of nearly US\$ 36 billion in privately held companies in 2021, up from US\$ 11 billion in 2020.
- In March 2022, Licious, India's largest tech-first, fresh animal protein brand, raised US\$ 150 million in a Series F2 funding round.
- In March 2022, Byju's raised US\$ 800 million in funding as part of a pre-IPO round, which values the Bengaluru-based company at about US\$ 22 billion.
- In March 2022, debt marketplace CredAvenue raised US\$ 137 million in a funding round led by Insight Partners, B Capital Group and Dragoner Investment Group, which propelled the startup's valuation to US\$ 1.3 billion.
- In February 2022, Hasura, a software company which helps developers with tools, raised US\$ 100 million in a fresh funding round led by Greenoaks Capital, which elevated the company into a unicorn.
- In January 2022, Google announced plans to invest US\$ 1 billion in India's Bharti Airtel Ltd. to push India's digital ecosystem.

- Amazon partnered with Airtel to sell Amazon Web Services (AWS) to its customers and intends to inject US\$ 1.6 billion into their two upcoming data centres in Hyderabad.
- In November 2021, Wipro partnered with TEOCO to build solutions for communication service providers (CSPs) to improve network automation, efficiency, flexibility, and reliability.
- In August 2021, Tata Consultancy Services was adjudged a leader in the NelsonHall NEAT for CX Services in Banking, Financial Services, and Insurance (BFSI).

## GOVERNMENT INITIATIVES

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

- In March 2024, The Cabinet approved an allocation of over Rs. 10,300 crore (US\$ 1.2 billion) for the IndiaAI Mission, marking a significant step towards bolstering India's AI ecosystem.
- The government prioritizes cybersecurity, hyper-scale computing, AI, and blockchain. With data costs at Rs. 10/GB (\$0.12/GB), India ranks among the world's cheapest.
- Cabinet approved PLI Scheme – 2.0 for IT Hardware with a budgetary outlay of Rs. 17,000 crore (US\$ 2.06 billion).
- In September 2022, the new Telecommunications Bill 2022 was published for public consultation by the Ministry of Communications as a move toward creating a new telecom framework in India.
- In August 2022, the Indian Computer Emergency Response Team (CERT-In), in collaboration with the Cyber Security Agency of Singapore (CSA), successfully planned and carried out the "Synergy" Cyber Security Exercise for 13 countries to build network resilience against ransomware attacks.
- In June 2022, STPI Director General Mr. Arvind Kumar stated that exports through STPI units have increased from Rs. 17 crore (US\$ 2.14 million) in 1992 to Rs. 5.69 lakh crore (US\$ 71.65 billion) in 2022.
- In May 2022, it was announced that Indians can now avail of their DigiLocker services through WhatsApp to get easy access to their official documents.
- In April 2022, the Indian Computer Emergency Response Team (CERT-In) issued Directions to strengthen cybersecurity in the country.
- The government introduced the STP Scheme, which is a 100% export-oriented scheme for the development and export of computer software, including the export of professional services using communication links or physical media.
- In November 2021, the government launched the Internet Exchange in Uttarakhand to enhance the quality of internet services in the state.
- The Karnataka government signed three MoUs worth Rs. 100.52 crore (US\$ 13.4 million) to help the state's emerging technology sector.
- In September 2021, the Indian government announced a plan to build a cyber-lab for the 'Online Capacity Building Programme on Crime Investigation, Cyber Law, and Digital Forensics' to strengthen cyber security capabilities.
- In September 2021, the Ministry of Electronics, and Information Technology (MeitY) organised a workshop under the theme of 'Connecting all Indians' to promote public and private stakeholders' interest in the country and expand internet access to remote areas.
- In September 2021, the Indian government launched the Meghalaya Enterprise Architecture Project (MeghEA) to boost service delivery and governance in the state by leveraging digital technologies, to make Meghalaya a high-income state by 2030.
- In September 2021, the Indian government launched Phase II of the Visvesvaraya PhD Scheme to encourage research in 42 emerging technologies in information technology (IT), electronics system design & manufacturing (ESDM) and information technology-enabled services (ITES).
- In September 2021, the Indian government inaugurated five National Institute of Electronics & Information Technology (NIELIT) Centres in three Northeastern states to boost the availability of training centres and employment opportunities.
- On July 2, 2021, the Ministry of Heavy Industries and Public Enterprises launched six technology innovation platforms to develop technologies for globally competitive manufacturing in India. The six technology platforms have been developed by IIT Madras, Central Manufacturing Technology Institute (CMTI), International Centre for Automotive Technology (iCAT), Automotive Research Association of India (ARAI), BHEL, and HMT, in association with IISc Bangalore.
- The Department of Telecom, Government of India and Ministry of Communications, Government of Japan, signed an MoU to enhance cooperation in areas of 5G technologies, telecom security and submarine optical fibre cable systems.

## ROAD AHEAD

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India.

The IT spending in India is estimated to record a double-digit growth of 11.1% in 2024, totalling US\$ 138.6 billion up from US\$ 124.7 billion last year.

India's public cloud services market grew to US\$3.8 billion in the first half of 2023, expected to reach US\$ 17.8 billion by 2027.

By 2026, widespread cloud utilisation can provide employment opportunities to 14 million people and add US\$ 380 billion to India's GDP.

As per a survey by Amazon Web Services (2021), India is expected to have nine times more digitally skilled workers by 2025.

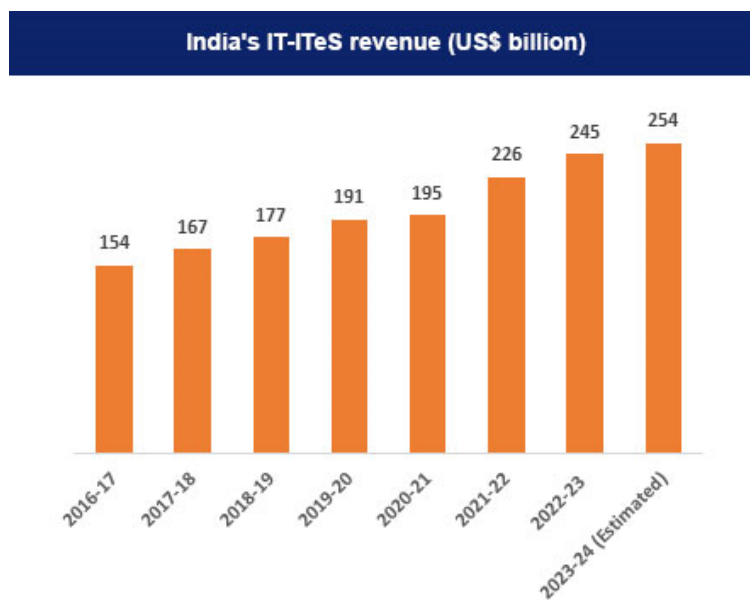
In November 2021, Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, lauded the Indian IT sector for excelling in its competitive strength with zero government interference. He further added that service exports from India have the potential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

### Notes: AI - Artificial Intelligence

**References:** Media Reports, Press Information Bureau (PIB), Department for Promotion of Industry and Internal Trade (DPIIT), Department of Information and Technology, Union Budget 2023-24

## EXPORT MARKET

Recently, the Ministry of Electronics & Information Technology released the second volume of the Vision document on Electronics Manufacturing in India, which stated that the electronics manufacturing industry will grow from the current US\$ 75 billion in 2020-21 to US\$ 300 billion by 2025-26. The major products that are expected to drive growth in India's electronics manufacturing are mobile phones, IT hardware (laptops, tablets), consumer electronics (TV and audio), industrial electronics, auto electronics, electronic components, LED lighting, strategic electronics, printed circuit board assembly (PCBA), wearables and hearables, and telecom equipment. India became the second-largest mobile phone manufacturing country after China, with cumulative shipments of locally produced handsets crossing two billion during 2014-2022. The mobile phone manufacturing in India has surged 21 times to reach US\$ 49.3 billion (Rs. 4.1 lakh crore) over the last ten years, largely due to government initiatives such as the Production Linked Incentive (PLI) scheme. This growth has enabled India to meet 97% of its mobile phone demand domestically.

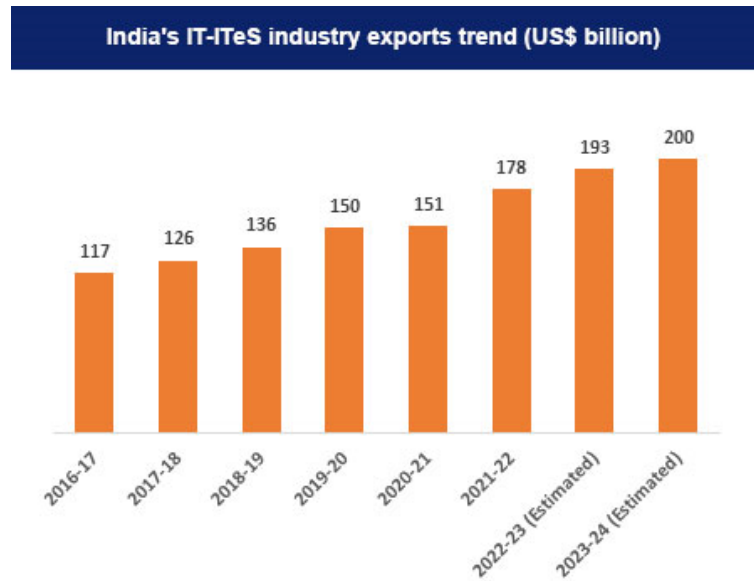


Source: NASSCOM

The IT sector in India is one of the largest contributors with a 7.5% contribution to GDP in FY23. The industry is expected to surpass US\$ 300-350 billion by 2025. The Economic Survey 2023 revealed a 15.5% revenue growth for the IT-BPM sector in FY22, as against a 2.1% growth in the previous fiscal year. India's tech industry is estimated to touch US\$ 254 billion in the FY24, an addition of around US\$ 9 billion over previous year. India's IT industries and companies are majorly located in the southern regions such as Bangalore, Hyderabad, Chennai, Visakhapatnam, Trivandrum, Mysore, Mangalore, Kochi, etc. The country's major information technology hubs are Mumbai, Pune, Delhi, etc.

## EXPORT TREND

India is among the largest IT and BPM services exporting countries and accounts for about 56% of the global outsourcing market. According to estimates by the Electronics and Computer Software Export Promotion Council (ESC), exports of computer software and services, including IT, ITeS (IT enabled services), and business process outsourcing (BPO), registered a year-on-year growth of 12.2%, reaching US\$ 193 billion in the FY23. As per the National Association of Software and Service Companies (NASSCOM), the total amount of tech exports from India are estimated to amount US\$ 200 billion for FY24. As per Reserve Bank of India's annual survey on computer software and information technology enabled services (ITES), exports of software services by Indian companies (excluding their sales through overseas commercial presence) increased by 18.4% during 2022-23 to US\$ 185.5 billion. BPO services accounted for more than 84% of exports of information technology (IT) enabled services in FY23. Business process management (BPM) exports were estimated at US\$ 42.1 billion in FY22, growing 8.7% over the previous year. This growth in BPM was mainly driven by automation-led services in finance & accounts and human resources, increased adoption of robotic process automation (RPA) and analytics. BPM is also witnessing an accelerated shift to platform solutions.



Source: Ministry of Electronics and Information Technology, ESC, NASSCOM

Over the last few years, engineering research and development (ER&D) services have recorded one of the fastest export growth, driven by the increasing adoption of software-led products and cloudification of equipment and devices. Exports for the ER&D sector were estimated at US\$ 41 billion in 2022-23. Software products witnessed 7.8% growth to reach US\$ 7.3 billion, mainly driven by the rise in demand for collaborative applications, application platforms, security software, system & service management software, and content workflow & management applications.

## MAJOR EXPORT DESTINATIONS

For the IT-ITeS services of India, the top three export destinations of India were the USA, the UK, and the EU. The country also exports these services to Asia Pacific regions, Latin America, and Middle East Asia and sees new opportunities emerging to expand services to continental Europe, Japan, China, and Africa.

As per Reserve Bank of India (RBI) statistics, software services exports to the USA and Canada combined grew by 19.6% from US\$ 86.9 billion in 2021-22 to US\$ 103.9 billion in 2022-23, accounting for the largest share at 56% of the overall exports. This was followed by Europe accounting for 30.8% of the overall exports, valued at US\$ 57.1 billion in 2022-23. The UK was the largest importer of Indian software services within Europe, accounting for 46% of exports to the Europe. Exports of Indian software services in Asia region were valued at US\$ 12 billion, with a major share of East Asia exports valued at US\$ 10.2 billion.



Infographics

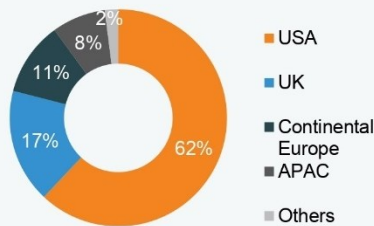


MARKET SIZE

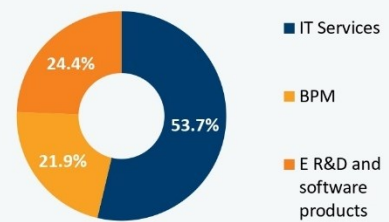


SECTOR COMPOSITION

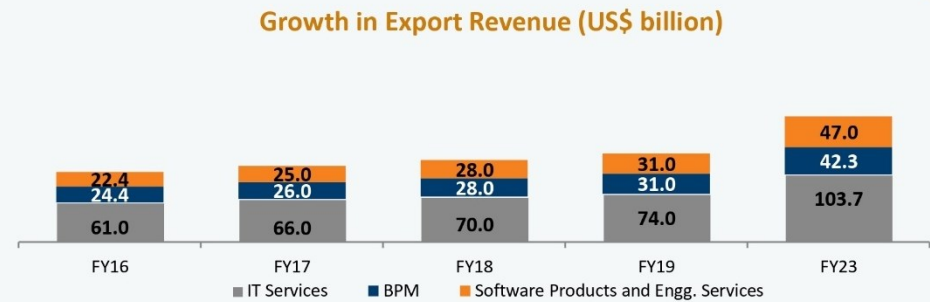
**Geography-wise Break-up of Indian IT market (US\$ billion) 2023**



**Sector-wise Break-up of Export Revenue FY23**



KEY TRENDS



GOVERNMENT INITIATIVES



Make in India



Phased Manufacturing Programme (PMP)



Simplified Other Service Provider (OSP) guidelines



ADVANTAGE INDIA

- **Growing demand:** The IT spending in India is estimated to record a double-digit growth of 11.1% in 2024, totaling US\$ 138.6 billion up from US\$ 124.7 billion last year.
- **Global Footprint:** Indian IT firms have delivery centres all across the world and are well diversified across verticals such as BFSI, telecom and retail.
- **Policy Support:** The Ministry of Electronics and Information and Technology (MeitY) had approved 14 eligible applicants under the production linked incentive scheme (PLI) for IT hardware.
- **Competitive Advantage:** India's overall Digital Competitiveness Score of 60 (on 100), Ahead of every BRICs nations besides China, reflects the rise of tech talent in the country.
- **Increasing investments:** The computer software and hardware sector in India attracted cumulative foreign direct investment (FDI) inflows worth US\$ 102.9 billion between April 2000-March 2024. The sector ranked 2nd in FDI inflows as per the data released by Department for Promotion of Industry and Internal Trade (DPIIT).



### Growing Demand

- In FY22, the top three Indian IT companies, TCS, Wipro and Infosys, were expected to offer 1.05 lakh job opportunities due to the increasing demand for talent and skill.
- India's IT and business services market is projected to reach US\$ 19.93 billion by 2025.
- The IT spending in India is estimated to record a double-digit growth of 11.1 per cent in 2024, totaling \$138.6 billion up from \$124.7 billion last year.

### Global Footprint

- Indian IT firms have delivery centres all across the world.
- IT & BPM industry is well diversified across verticals such as BFSI, telecom and retail.
- Increasing strategic alliance between domestic and international players to deliver solutions across the globe.

### Competitive Advantage

- India's technology industry is on track to double its revenue to US\$ 500 billion by 2030.
- India's overall Digital Competitiveness Score of 60 (on 100), Ahead of every BRICs nations besides China, reflects the rise of tech talent in the country,
- Japanese investments in the Indian IT sector grew 4X between 2016-20. Investments stood at US\$ 9.2 billion over the last two decades.

### Policy Support

- In the Union Budget 2023-24, the allocation for IT and telecom sector stood at Rs. 97,579.05 crore (US\$ 11.8 billion).
  - The government prioritizes cybersecurity, hyper-scale computing, AI, and blockchain. With data costs at Rs. 10/GB (\$0.12/GB), India ranks among the world's cheapest.
- With a considerable impact on the GDP and welfare of the nation, the IT & BPM sector has emerged as one of India's most important economic drivers. In FY23, the IT sector contributed 7.5% of India's GDP, and by 2025, it is anticipated to make up 10% of India's GDP.
  - According to the National Association of Software and Service Companies (NASSCOM), the Indian IT industry's revenue touched US\$ 227 billion in FY22, a 15.5% YoY growth. The IT spending in India is estimated to record a double-digit growth of 11.1 % in 2024, totalling US\$ 138.6 billion up from US\$ 124.7 billion last year.
  - According to a report published by Microsoft, consultancy firm Bain & Co, and industry body Internet and Mobile Association of India (IAMAI), India produces 16% of the entire world's AI talent pool – the third highest in the world. PwC India also announced that it was planning to hire 10,000 employees in the cloud and digital technologies space over the next five years.
  - India's IT industry is likely to hit the US\$ 350 billion mark by 2026 and contribute 10% towards the country's gross domestic product (GDP), Infomerics Ratings said in a report.
  - As an estimate, India's IT export revenue rose by 9% in constant currency terms to US\$ 194 billion in FY23. Exports from the Indian IT services industry stood at US\$ 199 billion in FY24.
  - The 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.
  - The IT industry added 2.9 lakh new jobs taking the industry's workforce tally to 5.4 million people in FY23.

- The computer software and hardware sector in India attracted cumulative foreign direct investment (FDI) inflows worth US\$ 102.9 billion between April 2000-March 2024. The sector ranked 2nd in FDI inflows as per the data released by Department for Promotion of Industry and Internal Trade (DPIIT).
- In 2022, PE Investments in IT and BPM industry almost halved to US\$ 12.3 billion as against US\$ 23.4 in 2021.
- Direct employment in the IT services and BPO/ITeS segment was estimated to reach 5.4 million in FY23 with an addition of 290,000 people.
- Amazon Web Services announced the launch of its second AWS infrastructure region in India - the AWS Asia Pacific (Hyderabad) Region. By 2030, it is anticipated that the region will support more than 48,000 full-time jobs annually thanks to investments totalling more than US\$ 4.4 billion in India.
- Bangalore-based edtech startup 'BygC' launched India's first upskilling-focused community platform for young graduates and people seeking jobs in the BFSI sector. Tech Mahindra Foundation and Wipro GE Healthcare have also joined forces to offer skilling and upskilling courses to students and healthcare technicians.
- SAP India and Microsoft have announced the introduction of TechSaksham, a collaborative skilling initiative aimed at enabling young women (from underprivileged regions) to pursue careers in technology. 62,000 women students will be trained in artificial intelligence (AI), cloud computing, web design and digital marketing.
- The revenue of India's public cloud services market totalled US\$ 6.2 billion in 2022, and it is expected to reach US\$ 17.8 billion by 2027 growing at a CAGR of 23.4%.
- Infosys announced that it has set up an Automotive Digital Technology and Innovation Centre in Stuttgart, Germany. Automotive IT infrastructure professionals stationed in Germany will transfer from Daimler AG to the new Digital Technology and Innovation Centre as part of Infosys' relationship with Daimler.
- Regarding government initiatives, the government has introduced the STP Scheme, which is a 100% export-oriented scheme for the development and export of computer software, including the export of professional services using communication links or physical media.
- The government prioritizes cybersecurity, hyper-scale computing, AI, and blockchain. With data costs at Rs. 10/GB (\$0.12/GB), India ranks among the world's cheapest.
- The Cabinet approved an allocation of over Rs. 10,300 (US\$ 1.2 billion) crore for the IndiaAI Mission, marking a significant step towards bolstering India's AI ecosystem.
- Cabinet approved PLI Scheme – 2.0 for IT Hardware with a budgetary outlay of Rs. 17,000 crore (US\$ 2.06 billion).
- The Indian government announced a plan to build a cyber-lab for the 'Online Capacity Building Programme on Crime Investigation, Cyber Law, and Digital Forensics' to strengthen cyber security capabilities.
- The Data Security Council of India (DSCI) - National Center of Excellence for Cyber Security Technology Development (NCoE) and Chitkara University have collaborated to undertake joint programmes on cyber security and privacy.
- The Indian government launched the Meghalaya Enterprise Architecture Project (MeghEA) to boost service delivery and governance in the state by leveraging digital technologies, to make Meghalaya a high-income state by 2030.
- This push towards cloud services has boosted hyper-scale data centre investments, with global investments estimated to exceed US\$ 200 billion annually by 2025. India is expected to gain a significant share of the global market, with the country's investment expected to hit US\$ 5 billion annually by 2025. India's data centre market is expected to reach a value of US\$ 9.96 billion by 2028 from US\$ 5.42 billion in 2022, growing at a CAGR of 10.69%.
- 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."

**Notes:** AI - Artificial Intelligence

**References:** Media Reports, Press Information Bureau (PIB), Department for Promotion of Industry and Internal Trade (DPIIT), Department of Information and Technology

## UNLOCKING THE POWER OF GENERATIVE AI: OPPORTUNITIES FOR TECHNOLOGY SERVICES

The next major thing in human-AI collaboration could be generative artificial intelligence (Gen AI). It uses powerful machine learning to supplement, expedite, and automate content creation via the assimilation of unstructured, multimodal data such as text, code, photos, audio, 3D, and video. Its rapid evolution over the last 6 to 8 months (2023-24) has seen several releases across models, datasets, and applications. The potential economic benefits of generative AI are enormous, delivering higher productivity, automation, and enhanced decision-making capabilities, boosting growth, efficiency, and competitiveness across a wide range of industries. In India, generative AI is predicted to grow at a CAGR of 36% from US\$ 11.3 billion in 2023 to US\$ 51.8 billion by 2028.

The annual economic value of generative AI in 2023 is predicted to range between US\$ 2.6 to US\$ 4.4 trillion globally. Approximately 75% of this value is predicted to focus on a few functions: sales and marketing, software engineering for product development and corporate IT, customer operations, and product and R&D. The global AI market was expected to reach US\$ 450 billion in 2022, expanding at a rate of more than 20%. In India, AI expenditure reached US\$ 665 million in 2018 and is predicted to reach US\$ 11.78 billion by 2025, with a 39% CAGR between 2019-25. The revolutionary potential of generative AI to alter sectors and drive economic growth is well recognised. According to a report in 2022, Generative AI could enhance global GDP by 7% (US\$ 7 trillion) and productivity by 1.5% over the next decade. Furthermore, it is anticipated that harnessing the power of Generative AI might contribute US\$ 15.7 trillion to the global economy by 2030. According to the World Economic Forum, there will be a 40% increase in the number of AI and machine learning experts by 2027. Gen AI has become a significant instrument for India, opening up economic potential in a variety of industries.

### Generative AI in India

Artificial intelligence (AI) is the process of making robots replicate human intelligence, and Generative AI is a branch of AI that uses machine learning technology to generate new content. To create fresh outputs that closely match the original input, generative AI works on the notion of learning from patterns and structures discovered in large datasets. To emulate human creativity in a machine-driven manner, this technology draws influence from domains such as deep learning, neural networks, and probabilistic modelling. Large Language Models (LLM) are neural networks capable of analysing and comprehending natural language. They are commonly trained on big datasets and can be used for tasks like as text production, classification, question response, and machine translation.

### Generative AI models

GAI models can be categorised into 2 categories:

- **Unimodal models**

It takes instructions from the same modality as the created content modality, whereas multimodal models accept cross-modal inputs and produce outputs from many modalities. These models can be utilised for a variety of NLP applications, including dialogue systems, translation, and question-answering. Decoder models and encoder-decoder models are examples of this model. Other types of unimodal models include vision generative models.

- **Multimodal Models**

Multimodal generations are more difficult to learn than unimodal generations. The development of innovative multimodal technologies in visual language generation, text audio generation, text graph generation, and text code generation contributed to addressing this issue. Chatbots, AI art generation, music generation, coding for AI-based programming systems, and education are all examples of how these architectures are used.

### Key Factors Shaping India's Success in Leveraging AI

- **Nurturing AI talent:** In 2023, India accounts for about 4.5% of the world's AI professionals. The IT Services industry currently employs 76% of India's data talent. Companies, on the other hand, are having difficulty finding AI talent with the necessary business and industry knowledge. As a result, despite considerable demand, the direct hiring of AI talent is still minimal. The demand-supply gap for digital technology skills is expected to rise more than 3.5 times to 1.4-1.8 million by 2026. Core AI personnel like data scientists, data engineers, and enterprise architects are going to increase by 15-20% more by 2026.
- **R&D and Intellectual Property:** While India is in the top ten globally for AI research and patents, the accompanying value captured is insignificant. Many businesses frequently conduct incremental research on the newest technologies. Furthermore, a nascent relationship between industry and academia restricts monetizable research and IP production.
- **Investments in AI:** The number of Indian startups has increased dramatically during the last decade. Indian organisations have similarly advanced the usage of data-driven use cases.

- **Government Intervention:** The Government of India is arguably the largest and most successful digital pioneer in India. Aadhaar (a universal biometric ID), the Unified Payments Interface (UPI), and the Open Network for Digital Commerce (ONDC) are a few of its large-scale initiatives. The government could influence businesses by providing proper tax incentives for AI innovation and development. It should work to improve the curriculum and resources of India's top institutions in order to focus on advanced technological education, particularly in AI.

## Opportunity

Generative AI is automating, augmenting, and speeding a variety of service offerings, resulting in four areas of opportunity for technological services:

### 1. Expansion in the addressable market

Over the next five years (by 2028), generative AI is expected to generate a new market for related services and potentially unleash an additional 15 to 20% topline growth for leading providers who take an aggressive approach and make early moves. This expansion will be fuelled by four factors:

- Demand for new generative AI products
- Use generative AI to reimagine existing services.
- Increased demand for adjacent services required for the use of generative AI, such as cloud and D&A.
- More penetration into the next tier of businesses.

### 2. Delivery excellence

Service delivery operations across service lines are projected to become more efficient using Gen AI. Early tests suggest that this could result in a 20-30% increase in productivity for specific use cases in service lines such as application development and BPO. The productivity boost at the organisational level is predicted to be incremental, with a 10-15% rise in the first 12-18 months after deploying the technology at scale, with the potential to reach about 20 to 30% in the next 2-3 years (2025-26).

### 3. Sales excellence

Gains in productivity can be expected across the sales and marketing value chain, from lead generation to speedier sales plan formulation. According to NASSCOM, 90% of CXOs in leading sales teams believe generative AI will become mainstream in sales within the next 2-3 years (2025-26), with lead identification being the most influential use case across sales processes, according to more than 60%.

- **Building LLM-based use cases for sales processes**

A pricing-assist LLM, for example, can aid in recommending the best business model for an account or a certain agreement. Recommendations would be based on the integration of data from numerous sources, such as historical deal data. Large providers have conducted pilots to increase ROI and sales effectiveness. For instance, Accenture and Salesforce collaborated to automate some prospecting duties in order to increase seller productivity. They are also concentrating on hyper-personalized outreach, a contextual conversational bot, and customised training content for sales personnel.

- **Building proprietary datasets**

These solutions are based on proprietary datasets that rely on a mix of external and internal data sources. Company reports, public articles, and market deal databases are examples of external data sources. Internal proprietary data sources include pricing data from past proposals, historical deals in the last 5 years (2017-18), account plans, and deal renewal data for all clients.

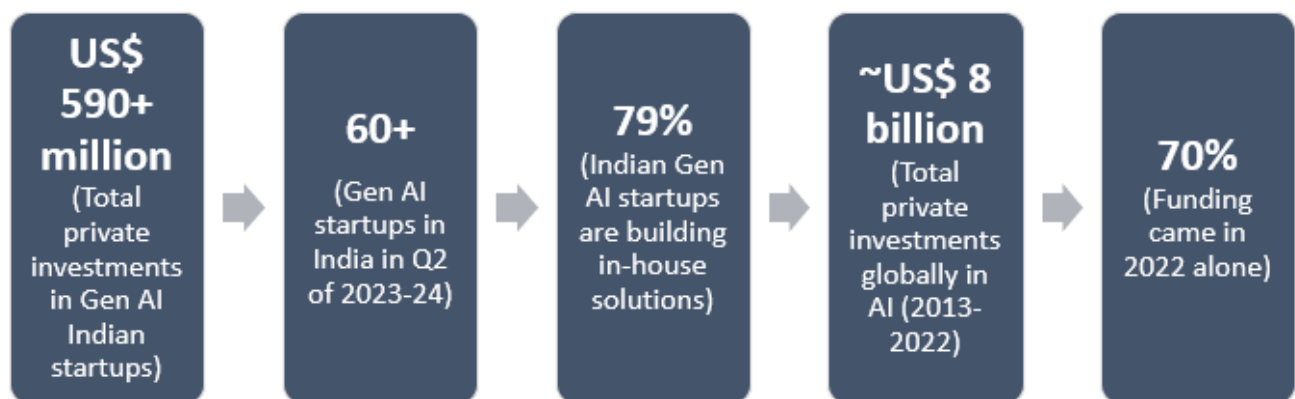
### 4. Productivity gains in G&A

Over the next three years (2025-26), automation, and augmentation of tasks in F&A, legal, and HR are predicted to increase productivity by 40% (including sales). It can aid in the automation of typically time-consuming operations such as summarization in order to develop workflows, contracts, and reports.

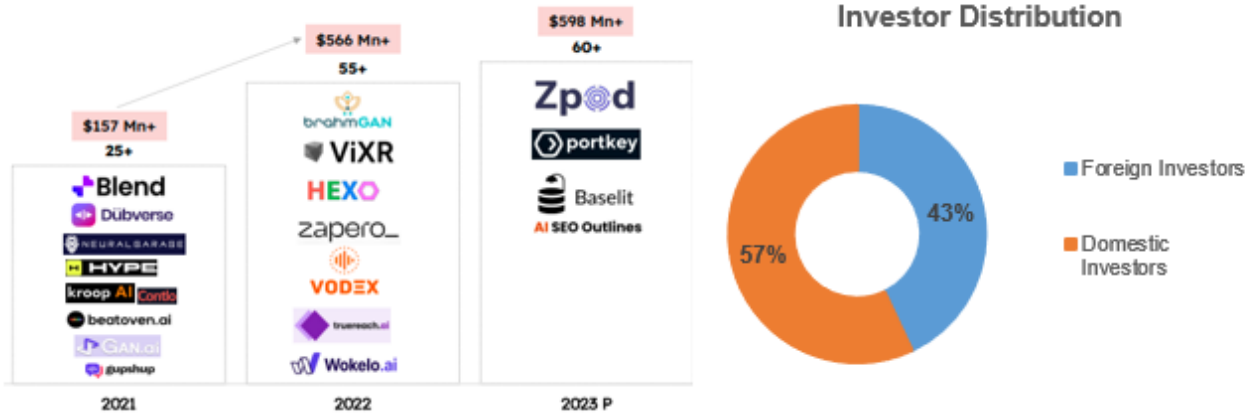
**Generative AI tools from India**

Name	Details
<b>KissanGPT</b>	KissanGPT is an AI chatbot that exclusively serves India's underserved agriculture domain by leveraging the power of GPT 3.5 and the Whisper model. KissanGPT, which was launched on March 15th, 2023, has already won the hearts of farmers all over the country with its exceptional ability to help farmers in irrigation, pest management, and crop production.
<b>PolicyGPT</b>	The Bengaluru-based company Plum has launched PolicyGPT to revolutionise the insurance sector. The GPT-3-based chatbot's objective is to educate clients about their health insurance policies. Furthermore, the chatbot is intended to simplify insurance policies by addressing coverage questions and clarifying inclusions and restrictions.
<b>GitaGPT</b>	The AI chatbot known as GitaGPT was created by Mr. Sukuru Sai Vineet, a software developer for Google India. It leverages GPT-3 technology and the Bhagavad Gita to provide solutions to life's issues. Users can ask questions on the GitaGPT app, and a chatbot will respond by investigating the teachings of the Bhagavad Gita.
<b>BharatGPT</b>	CoRover, a conversational AI platform located in Bengaluru, just announced BharatGPT. In contrast to OpenAI's ChatGPT that only supports 95 languages and mostly understands English instructions. CoRover's chatbot can analyse rich data kinds other than text, such as photographs, audio, video, and maps, which the current version of ChatGPT cannot. While the accuracy of ChatGPT has yet to be confirmed, CoRover claims that BharatGPT is 90% accurate.
<b>Lexi</b>	Lexi is an AI chatbot created by Velocity, a finance business powered by ChatGPT. Lexi aims to assist e-commerce companies by streamlining company analytics. Lexi, which is connected with Velocity's analytics tool, Velocity Insights, supports firms in measuring market expenditure, sales, and more, and sends daily business reports over WhatsApp. Furthermore, clients can now use Lexi, the AI chatbot, to get answers to their questions, enhancing their business operations.
<b>Jugalbandi</b>	Under the Bhashini objective, Jugalbandi is a free and open platform that combines the capabilities of ChatGPT and Indian language translation models to power conversational AI applications in any domain.
<b>LawBot Pro</b>	Even though the Indian Constitution mandates free legal help for all citizens, even for those who cannot afford a lawyer. Former Chief Justice of India (CJI) Mr. Ranjan Gogoi stated that the lawyer-to-population ratio in India is much lower than in developed countries. One lawyer is available for every 1,800 people. Mr. Mandaar Mukesh Giri, a lawyer from a legal family, created LawBot Pro with the goal of delivering much-needed legal assistance to India's enormous population.

**Investment Landscape**



The number of generative AI startups in India has more than doubled between 2021-22 and 2023-24. Total private investments in AI were estimated to be around US\$ 8 billion between 2013 and 2022, with US\$ 3.24 billion raised in 2022 alone across 1,900+ AI businesses in India. Indian generative AI start-ups have already raised more than \$590 million in total funding as of May 2023. More than US\$ 475 million, and 80% of this funding, was received from 2021 onwards. Over 90% of the investments went to



Source: Nasscom

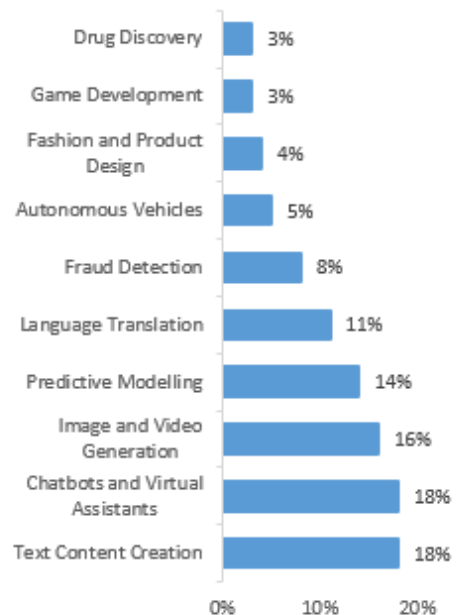
Some of the active Domestic Investors are Venture Catalysts, Titan Capital, 9Unicorns, Mumbai Angels, Kalaari Capital, etc. Some of the active Foreign Investors are SOSV, Artesian, Y Combinator, BPEA, Alpha Wave Global, etc.

Institutional investors hold 72% of the total investor composition, whereas corporate investors hold 28%. Some of the active Corporate Investors are Rosebay Consulting, Cosme Matias Menezes, Zoom, Fractal, Times Internet, etc., and active Institutional Investors are SOSV, Venture Catalysts, Titan Capital, Artesian, Nexus Venture Partners, etc.

Use Case	Top Industries
Text Content Creation	Media, E-commerce, Advertising, Tech Services
Chatbots and Virtual Assistants	E-commerce, Banking, Tech Services
Image and Video Generation	Media, Entertainment, Advertising
Predictive Modelling	Finance, Healthcare, Retail
Language Translation	E-commerce, Travel and Hospitality, Tech Services
Fraud Detection	E-commerce, Banking, Insurance
Autonomous Vehicles	Automotive, Transportation, Logistics
Fashion and Product Design	Retail, Fashion, E-commerce
Game Development	Gaming, Entertainment
Drug Discovery	Pharmaceutical, Life Sciences, Biotechnology

Source: Nasscom

Trends in Gen AI Solution Categories





The Greater Bengaluru region has the highest percentage of generative AI startups in India in 2023, at 45%. The city's entire environment, comprising deep tech, startup landscape, high-end innovation-driven institutions, vast industry presence, and a burgeoning class of domestic angel investors, is a big draw. The second-largest pool is available in the Mumbai and Pune regions in 2023, at 21%. This region is home to some of the most well-known institutional investors and venture capitalists, as well as a varied talent pool.

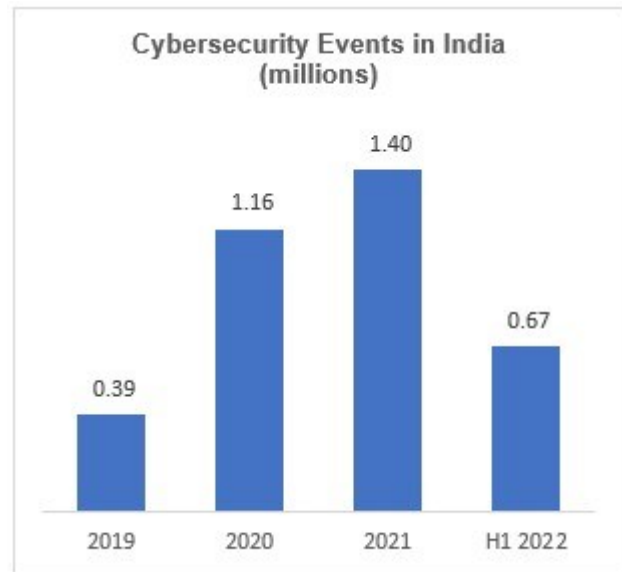
The knowledge-based advisory industry and BPM firms have a substantial presence in Delhi NCR. Startups with applications that fit into these categories also benefit from the innovation ecosystem of established educational institutions and a huge pool of college graduates. Hyderabad has a nation-leading innovation infrastructure, notably for the deep tech ecosystem. Chennai has the advantage of being the country's main SaaS hub, with a significant presence of product organisations, as well as targeted innovation and R&D labs of the global capability centres (GCCs) in India.

### **Road Ahead**

India is well-positioned to make use of generative AI to promote innovation across many industries and drive economic growth owing to its rich data resources, creative sector, and diversity of linguistic groups. The generative AI growth has also prompted widespread calls for the technology to be regulated. It represents an unparalleled chance to democratise the powerful tool of the computer, making AI available to millions of people who can utilise it for their profit, the benefit of enterprises, and the advancement of the country. The advent of LawBot Pro and other generative AI tools indicates an important turning point in India's technology andscape. India can open a world of innovation, empowerment, and inclusive development by embracing generative AI responsibly and tackling its challenges. With better productivity, automation, and decision-making skills, generative AI encourages growth, efficiency, and competitiveness across industries, and it has the potential to contribute US\$ 7 trillion to global GDP and increase productivity by 1.5% over the next decade (2023 onwards).

### Rising Focus on Cybersecurity in India

Artificial intelligence (AI), quantum computing, 5G, Internet of Things (IoT), and other quickly evolving and pervasive technologies are providing enormous growth prospects for firms in many industries; the global digital economy's expansion is visible after the Covid-19 pandemic. However, these innovations also increase the attack surface, posing a wide range of cybersecurity dangers, and giving hackers new ways to compromise, abuse, and harm vital IT assets. According to Indian Computer Emergency Response Team, India registered a staggering 3.63 million cybersecurity events from January 2019 to June 2022; the annual bifurcation is shown in the adjacent figure. The datacentre/IT/ITeS sector accounts for the most ransomware attacks in H1 2022, followed by the manufacturing and financial sectors. Ransomware organisations have also targeted vital infrastructure, including oil and gas, transportation, and power. To fight the increasing cyber threat, the Indian cybersecurity ecosystem, comprising government organisations and private companies (including start-ups), is also blooming.



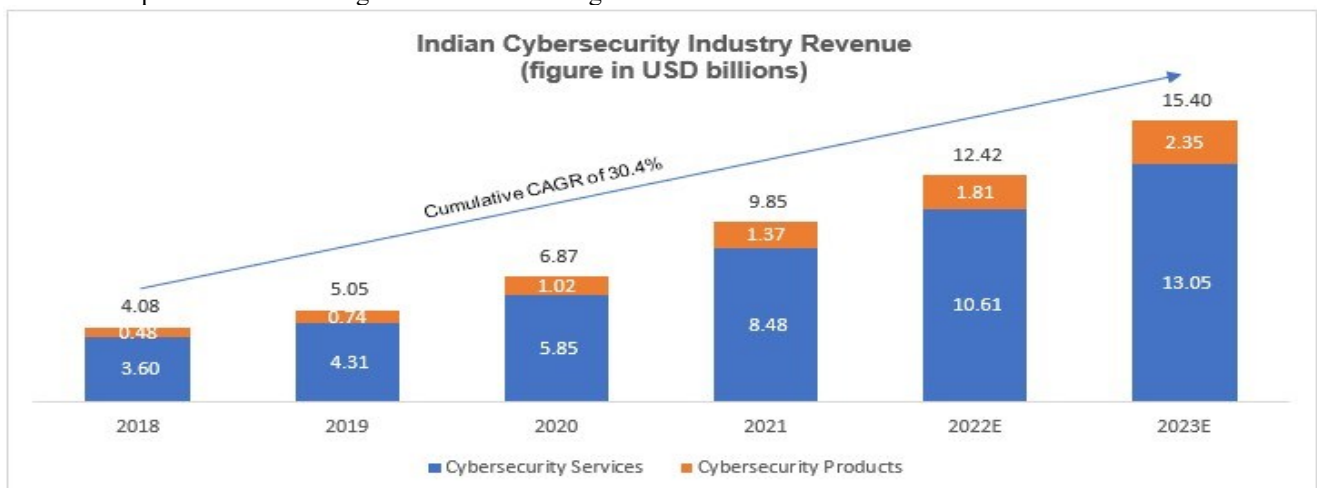
### Commercial Cybersecurity Space

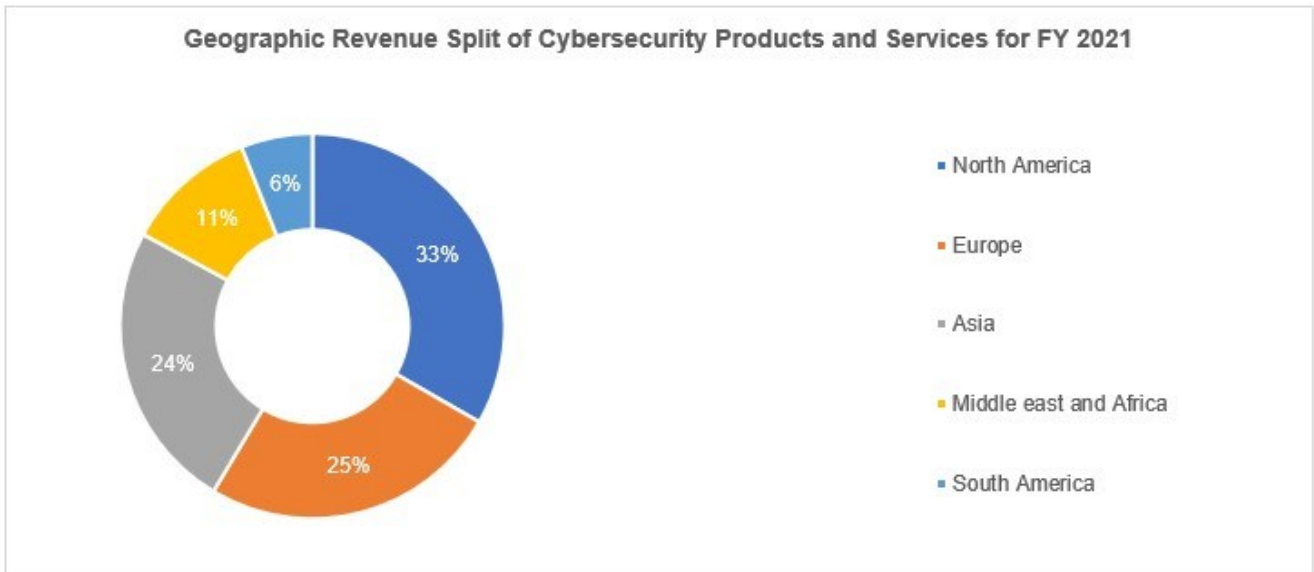
The global IoT industry is expected to rise to USD 1,854.76 billion by 2028, creating numerous opportunities for suppliers and businesses wanting to profit from IoT. The cybersecurity sector is expected to have a sizeable portion in the IoT market, considering the rapid expansion of the IT sector and the need for security.

Revenue of the Indian cybersecurity industry is predicted to increase at a CAGR of 30.4% from USD 4.08 billion to USD 15.40 billion during 2018-2023E. The adoption of a cloud-first strategy, business-led innovation, remote working circumstances, an expanding threat landscape and increased threat awareness, domestic and international compliance standards, and data privacy are the main drivers of the Indian cybersecurity industry.

The sector's estimated employee base is expected to expand to around 2.7 times in 2022 as against 2019, which is further expected to scale up significantly in the future, providing good employment opportunities. Reportedly in 2019, the talent pool was sized at 110k and 15k for cybersecurity services and products, respectively, and estimated to be 305k and 37k in 2022.

Due to strict regulations, better awareness levels, more cybersecurity budgets and quicker decision-making processes, developed countries have been booming markets. Major businesses are concentrating on regions such as the US and Europe because there are more cyberattacks on such sites. They also have more outdated technology being upgraded, renovated and revamped. This is primarily causing the US, and Europe's banking, manufacturing, energy, travel and transportation sectors to ramp up spending. With a combined 58% revenue contribution, North America and Europe remain the top two regions for services and product revenue. Regions with the fastest growth rates are Asia and MEA.





**Government Initiatives**

- The Government of India (GoI) has taken several technical, institutional, and legislative steps to tackle issues related to cybersecurity, including the National Cyber Security Policy (2013) and enactment of the Information Technology (IT) Act, 2000.
- The Indian Computer Emergency Response Team (CERT-In) was founded by the Ministry of Electronics and Information Technology (MeitY) as the national bureau for event response, including evaluation, prediction and alerts for [cybersecurity](#) breaches. The main responsibility of CERT-In is to increase security awareness among the Indian online community as well as offer technical support and guidance on how to recover from computer security incidents.

To exercise the authority granted by the Information Technology Act, 2000 (section 79A), the Cyber Forensics Lab at CERT-In has been designated an Examiner of Electronic Evidence. The lab is equipped with the tools to examine digital evidence obtained from data storage and mobile devices.

- The Cyber Swachhta Kendra (Botnet Cleaning and Malware Analysis Centre) (CSK), a constituent of the Digital India initiative of the GoI under MeitY, works to create a secure cyberspace by identifying botnet infections in India and alerting, facilitating the cleaning process along with securing systems of end users to avoid future infections. CSK was established in line with the goals of the National Cyber Security Policy, which calls for the development of a safe national cyber ecosystem. Internet service providers, product/antivirus businesses and this centre closely coordinate and collaborate to run its operations. Users can safeguard their systems and devices using the knowledge and resources available on this website. Under the Information Technology Act of 2000 (section 70B), CERT-In oversees the running of this centre.
- The Ministry of Home Affairs' (MHA) role is concentrated to establish guidelines to help secure information which might affect internal security as well as national security. Cyber and Information Security (C&IS) division of MHA deals with issues relating to Cyber Crime, Cyber Security, National Intelligence Grid (NATGRID) and National Information Security Policy & Guidelines (NISPG)

NATGRID is an integrated intelligence master database structure that links databases from several security agencies within the GoI. It collects detailed patterns obtained from numerous organisations and makes them easily accessible to security agencies around the clock.

NISPIG encompasses government and public sector associations, related bodies and other third parties to safeguard the information under their ownership and control throughout the information's lifecycle, including creation, storage, processing, accessing, transmission, annihilation, etc.

Cyber Crime Prevention against Women and Children (CCPWC) Scheme is established by MHA to give the states/UTs financial support of USD 11.99 million for the establishment of cyber forensic-cum-training laboratories; employing junior cyber consultants; and development of the capacities of Law Enforcement Agencies (LEAs), public prosecutors and judicial officers.

- MHA established the Indian Cyber Crime Coordination Centre (I4C) to deal with all types of cybercrime in the country in a coordinated and comprehensive manner. It has an outlay of USD 49.9 million.

The main duties of I4C are to (i) act as a node in the fight against cybercrime; (ii) recognise research problems/needs of LEAs, and engross in R&D activities to develop new technologies and forensic apparatuses in association with academic and research institutes in India as well as abroad; (iii) prevent the use of cyberspace to further extremist and terrorist groups' cause; (iv) suggest amendments to cyber laws as needed to keep up with rapidly evolving technologies and international cooperation; and (v) coordinate all activities related to the implementation of MLATs with other countries associated to cybercrimes keeping the concerned nodal authority in MHA in a loop.

There are seven components of the I4C Scheme, each having distinct responsibilities: Cybercrime Ecosystem Management Unit, National Cybercrime Training Centre (NCTC), National Cyber Crime Research and Innovation Centre, National Cybercrime Reporting, National Cybercrime Forensic Laboratory (NCFL) Ecosystem, National Cybercrime Threat Analytics Unit (TAU), and Platform for Joint Cybercrime Investigation Team.

- National Cyber Coordination Centre (NCCC) and National Critical Information Infrastructure Protection Centre (NCIIPC) are some other initiatives undertaken by the government concerning cybersecurity.

## Outlook

With the recent digitalisation boom, cybersecurity issues are also rising, especially infrastructure breakdown due to cyberattacks, identity theft and ransomware. To combat these issues, India has a strong and expanding cybersecurity ecosystem within a strong framework set up by the GoI, with private players offering several cybersecurity services and products. The GoI has taken elaborate steps and designated several organisations with responsibilities to ensure national security and other privacy concerns in cybersecurity. The outlook for Indian cybersecurity companies is also bright, as their revenue stream from foreign markets is on the rise.

Source: [www.ibef.org](http://www.ibef.org)

## OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled “**Risk Factors**”, beginning on page 21 of this Draft Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “**Risk Factors**” and the chapters titled “**Restated Financial Statements**” and “**Management Discussion and Analysis of Financial Conditions and Results of Operations**” beginning on page 21, 169 and 202 respectively of this Draft Prospectus.

Unless the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to “we”, “us”, “our” and “our Company” are to “Netanalytiks Technologies Limited”. Unless stated otherwise, the financial data in this section is as per our Restated Financial Statements prepared in accordance with Indian Accounting Policies set forth in the Draft Prospectus.

### OVERVIEW

Our Company was originally incorporated as a Private Limited Company in the name of “**Netanalytiks Technologies Private Limited**” on January 12, 2015 under the provisions of the Companies Act, 2013 bearing Corporate Identification Number U74900KA2015PTC078233 issued by the Registrar of Companies - Bangalore. Subsequently, our company was converted into Public Limited Company under the provisions of the Companies Act, 2013 and the name of our Company was changed to “**Netanalytiks Technologies Limited**” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated August 08, 2024 bearing Corporate Identification Number U74900KA2015PLC078233 issued by the Registrar of Companies - Bangalore.

Our Company, Netanalytiks Technologies Limited, is engaged in the business of providing Information Technology (IT) Solutions to both public and private organizations mainly in Information Technology (IT) Sector. Since its incorporation, the company has been actively involved in delivering a wide range of IT services across diverse roles and responsibilities. NetAnalytiks caters to the specific needs of clients within the IT sector by offering tailored services that ensure high performance, efficiency, and compliance with industry standards.

Our service portfolio can be broadly classified in 3 (three) main categories i.e. (1) IT Consultancy Services; (2) Placement Services; and (3) Business Support Services. Our company is an ISO 9001:2015 and ISO 27001:2013 certified company for providing IT Consulting and Delivery Services, IT Recruitment and Staffing Services, Corporate Training Services and IT Product Development Services which highlight the company's commitment to quality, security, and excellence in the delivery of its services.

Presently, our IT Consultancy Services, Placement Services and Business Support Services account for a majority of our revenues. The revenue contribution is tabulated below:

Source of Revenue	March 31, 2024		March 31, 2023		March 31, 2022	
	Revenue (₹ in lakhs)	% of Total Revenue	Revenue (₹ in lakhs)	% of Total Revenue	Revenue (₹ in lakhs)	% of Total Revenue
IT Consultancy Services, Placement Services and Business Support Services	1,067.78	100.00%	752.16	95.78%	441.76	90.52%
Sale of Software Products	-	-	33.13	4.22%	46.24	9.48%
<b>Total</b>	<b>1,067.78</b>	<b>100.00%</b>	<b>785.29</b>	<b>100.00%</b>	<b>488.00</b>	<b>100.00%</b>

Our company has shown consistent growth in both revenue and profitability over the three years. The increasing Profit also suggests the company has managed costs efficiently or benefited from higher margins, possibly due to better market conditions or improved internal processes. For the financial period ended March 31, 2024, March 31, 2023 and March 31, 2022, our revenues from operations were ₹ 1,067.78 lakhs, ₹ 785.29 lakhs and ₹ 488.81 lakhs respectively. Our Profit after Tax for the similar period mentioned above were ₹ 236.52 lakhs, ₹ 83.89 lakhs and ₹ 47.07 lakhs respectively.

Our company is promoted and managed by Mr. Shankara Anantharamaiah Chilkunda and Mr. Lakshminarayana Ullala, who together bring over 20 years of extensive experience in our industry. Their leadership, marked by deep expertise and a clear vision, has been instrumental in steering the company's growth and success. In addition to their leadership, we are guided by a highly skilled and experienced management team. This team, comprising individuals with strong professional backgrounds and significant industry knowledge, has consistently demonstrated its capability in effectively managing day-to-day operations, driving growth initiatives, and achieving strategic business goals. We believe that their collective efforts, along with a proven track record of acquiring and successfully integrating new business opportunities, position us well for continued expansion and sustained success in our field. For further details, please see **“Our Management”** beginning of Page 146 of Draft Prospectus.

## OUR SERVICES PORTFOLIO

NetAnalytiks Technologies Limited’s commitment to delivering high-quality services is reflected in its robust processes, certified quality management, and information security practices. The company's ability to adapt to emerging trends in IT and maintain rigorous quality and security standards makes it a trusted partner for organizations looking to enhance their technology capabilities.

In summary, NetAnalytiks Technologies Limited offers a comprehensive range of IT services across IT Consultancy Services, Placement Services and Business Support Services, ensuring that clients receive expert solutions that drive innovation, improve operations, and safeguard their information assets.



## CONSULTANCY SERVICES

Information Technology (IT) consulting involves supplying specialized manpower to organizations that require assistance with developing, optimizing, or troubleshooting their software systems. IT consultants serve as expert advisors, focusing on key areas such as:

- **Software Architecture:** Designing the structure and framework of applications and systems to ensure scalability, efficiency, and maintainability.
- **Development Practices:** Recommending best practices for coding, testing, and deployment to streamline workflows and improve the quality of software products.
- **Project Management:** Overseeing software projects, ensuring that timelines, budgets, and quality standards are met.
- **Systems Integration:** Helping organizations seamlessly integrate new software solutions with their existing infrastructure and systems.



NetAnalytiks specializes in providing highly skilled manpower in cutting-edge IT fields such as:

- **Cybersecurity:** Experts in protecting digital assets, ensuring system integrity, and managing risk.
- **Artificial Intelligence & Machine Learning (AI/ML):** Consultants capable of developing intelligent systems that learn from data, optimize business processes, and deliver predictive analytics.
- **Cloud Computing:** Providing specialists who can design, deploy, and manage scalable cloud-based systems, ensuring reliable and cost-effective IT infrastructures.
- **Generative AI:** Experts in AI technologies that generate new data, such as text, images, and code, adding immense value in areas like content creation, automation, and data augmentation.

NetAnalytiks Staffing and Contract Process includes:

- **Client Job Description:** Clients typically provide a detailed Job Description (JD) outlining the specific roles and skill sets required.
- **Role Fulfilment:** After agreeing on the scope and terms of the engagement, NetAnalytiks sources qualified candidates to fill these roles.
- **Staffing Contracts:** Once the right candidate is identified, both NetAnalytiks and the client sign a staffing contract that outlines the duration of the contract (typically fixed-term), Responsibilities of both parties and agreed consultancy fees.

Clients are billed monthly for the services provided by the consultants. The payment cycle continues throughout the duration of the signed contract, ensuring a steady flow of expert services while adhering to the mutually agreed terms. NetAnalytiks' approach ensures that clients receive tailored IT consulting services, helping them achieve their technology goals efficiently while benefiting from the latest advancements in fields like Cybersecurity, AI/ML, Cloud, and Generative AI technologies.

#### PLACEMENT SERVICES:

Placement services, also known as sourcing services, involve helping organizations find the right talent to fill their job openings. These services focus on identifying, evaluating, and presenting qualified candidates that meet the specific needs of clients. The value lies in saving clients the time and effort required to find suitable candidates while ensuring a strong match between the candidate's skills and the job requirements.

Clients compensate NetAnalytiks for their expertise and efforts through various fee structures, depending on the agreement between both parties. These structures may include:

- **Flat Rate:** A fixed amount charged for each successful placement, regardless of the candidate's salary or role complexity.
- **Percentage of First-Year Salary:** A common model where NetAnalytiks receives a percentage (typically between 15% to 30%) of the candidate's first-year salary. This fee is paid once the candidate is hired by the client, ensuring that the placement is successful.
- **Custom Criteria:** In some cases, the fee may be based on specific conditions set by the client and NetAnalytiks, such as the seniority of the role, the complexity of the search, or the urgency of filling the position.

NetAnalytiks invests significant time and resources in providing high-quality placement services. This includes:

- **Candidate Sourcing:** Identifying potential candidates through various channels, including databases, job boards, professional networks, and headhunting.
- **Screening and Vetting:** Conducting interviews, background checks, and skill assessments to ensure that candidates meet the job requirements and are a good fit for the company culture.
- **Shortlisting:** Presenting the client with a selection of top candidates who meet the necessary qualifications, experience, and cultural alignment.

Clients benefit from placement services in several ways:

- **Time Savings:** NetAnalytiks handles the entire hiring process, allowing clients to focus on their core business activities rather than recruitment.
- **Expertise:** NetAnalytiks leverages its deep industry knowledge and experience to identify candidates who are not only technically qualified but also fit well within the client's organizational culture.
- **Quality Assurance:** Through thorough vetting and pre-screening, clients receive candidates who are well-matched to the job requirements, reducing the risk of turnover and mismatches.

NetAnalytiks has a dedicated business development team responsible for:

- **Qualifying Clients:** Ensuring that potential clients have recruitment needs that align with NetAnalytiks' expertise and service offerings.
- **Negotiating Payment Terms:** The team works closely with clients to agree on the most suitable payment structure, considering factors like role complexity, urgency, and long-term partnerships.
- **Customer Onboarding:** Once the terms are agreed upon, NetAnalytiks onboards the client, setting up the processes needed to begin identifying and placing candidates for their roles.

In summary, NetAnalytiks' placement services ensure that clients receive top-tier talent for their open positions, with a tailored fee structure that compensates for the time, effort, and expertise involved in sourcing high-quality candidates. The business development team ensures smooth client onboarding and negotiates terms that align with the client's needs.

## BUSINESS SUPPORT SERVICES:

NetAnalytiks offers a range of digital marketing services under its Business Support Services umbrella, helping clients enhance their online presence, drive traffic, and generate leads. These services are designed to provide comprehensive support to clients, enabling them to meet their business goals in a competitive digital environment.

Core Digital Marketing Services Provided by NetAnalytiks:

- **SEO Optimization (Search Engine Optimization):**
  - SEO is focused on improving a website's visibility on search engines like Google. NetAnalytiks employs various techniques such as keyword research, on-page optimization, link building, and technical SEO to help clients rank higher in search results.
  - The goal is to attract more organic traffic, increase brand awareness, and boost the website's authority in its industry.
- **Social Media Marketing:**
  - NetAnalytiks helps clients establish and grow their presence on social media platforms such as Facebook, Instagram, LinkedIn, Twitter, and others.
  - This includes creating and managing content, running targeted ad campaigns, engaging with audiences, and tracking performance metrics. The purpose is to build brand loyalty, increase engagement, and drive traffic to the client's website.
- **Lead Generation Activities:**
  - NetAnalytiks specializes in identifying and attracting potential customers (leads) who are likely to be interested in the client's products or services. This includes strategies like email marketing, content marketing, pay-per-click (PPC) advertising, and landing page optimization.
  - The focus is on nurturing leads through the sales funnel, converting prospects into paying customers, and maximizing the client's ROI.

The provision of digital marketing services through NetAnalytiks is formalized through fixed-term contracts with clients. These contracts include:

- **Service Scope:** The specific digital marketing activities to be performed, such as SEO campaigns, social media management, or lead generation initiatives, are mutually agreed upon and clearly outlined in the contract.
- **Fixed Term Duration:** The contract specifies a fixed term, which could range from a few months to a year or more, depending on the client's goals and the agreed-upon deliverables.
- **Performance Metrics:** Success metrics or key performance indicators (KPIs) are often established in the contract to ensure measurable results. These could include increased website traffic, higher search engine rankings, lead conversion rates, or improved social media engagement.

These digital marketing services are categorized as Business Support Services, with fees determined based on the following factors:

- **Scope of Services:** The breadth and depth of the services provided—whether it’s a full-fledged digital marketing campaign or just specific elements like SEO or social media.
- **Duration of the Contract:** Longer contracts may offer discounted rates or tiered pricing models based on performance milestones.
- **Custom Client Requirements:** Some clients may need tailored solutions or one-time projects, for which pricing will be customized accordingly.

NetAnalytiks charges clients monthly or according to the terms specified in the contract. The fee structure reflects the time, expertise, and resources invested in providing high-quality, result-oriented marketing services.

Clients benefit from Business Support services in several ways:

- **Enhanced Online Visibility:** With effective SEO and social media strategies, clients can improve their visibility on search engines and social platforms, reaching a broader audience.
- **Lead Acquisition and Conversion:** The lead generation activities ensure that clients receive qualified leads, helping them increase their customer base and sales.
- **Expertise and Customization:** NetAnalytiks provides expertise in the latest digital marketing trends, allowing for tailored strategies that align with the client’s business objectives.
- **Measurable Results:** Clients can track the success of the campaigns through detailed reports and performance analytics, ensuring transparency and accountability.

NetAnalytiks’ Business Support Services focus on delivering comprehensive digital marketing solutions through SEO optimization, social media marketing, and lead generation activities. Clients benefit from a structured and tailored approach, with clear contracts that outline the services and expected results, all aimed at enhancing their digital footprint and business growth. The flexible and scalable service offerings ensure that clients get the support they need to meet their digital marketing goals effectively.

## FINANCIAL HIGHLIGHTS (ON STANDALONE BASIS)

₹ in lakhs except percentage and ratios

Particulars	31-03-2024	31-03-2023	31-03-2022
Total Income	1,088.58	799.29	488.82
Growth (%)	36%	64%	126%
Revenue from Operation	1,067.78	785.29	488.01
EBITDA (Operating Profit)	302.46	109.75	90.77
EBITDA Margin (%)	28.33%	13.98%	18.60%
PAT	236.52	83.89	47.07
Growth (%)	182%	78%	216%
PAT Margin (%)	21.73%	10.50%	9.63%
EPS (Basic & Diluted) - (As per end of Restated period)	73.67	26.13	14.66
EPS (Basic & Diluted) - (Post Bonus with retrospective effect)	8.19	2.90	1.63
Total Borrowings	21.63	58.51	126.31
Total Net Worth (TNW)	513.81	297.29	213.40
ROCE (%)	58.13%	37.65%	23.42%
RONW (%)	46.03%	28.22%	22.06%
Debt Equity Ratio (Total Borrowing/TNW)	0.04	0.20	0.59

As certified by our statutory auditor having peer review certificate M/s. Vishnu Daya & Co. LLP, Chartered Accountant vide their examination report dated September 30, 2024.

## OUR COMPETITIVE STRENGTHS:

1. **Organisation stability, Rich management experience and skilled team:** Our Company has an established track record of approx. 9 years which indicates our company's ability to weather economic and business cycles and competent promoters have over a decade of relevant experience. This indicates our ability to maintain business viability and steer the business through operational hurdles. Our promoters are the guiding force behind the operational and financial decision of our company. Our promoters are responsible for the entire business operations of the company along with an experienced team of professional who assist them. This indicates our ability to maintain business viability and steer the business through operational hurdles. We have a strong management team and workforce of skilled, trained, well equipped and expertise employee that has led the organization on the path to success. Their industry knowledge and understanding also gives us the key competitive advantage.
2. **Smooth flow of operations:** Over the year, we have developed a wide clientele base and this was done with our valued based relationship approach. Our existing relationships help us to get repeat businesses from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.
3. **Well-defined organizational structure:** Our company has a qualified and experienced management team empowered to take timely decision which makes the operations of our business smoother and ensures efficiency in all aspects of our operations. We believe that our senior management has pioneered our growth and fostered a culture of innovation, entrepreneurship and teamwork within our organization. We believe that a motivated and empowered employee base is key to our competitive advantage. Our Human Resources Policies are aimed towards recruiting talented employees, facilitating their integration into our organization culture and encouraging the development of their skills and expertise for becoming the next generation leaders. We believe that our experience, knowledge and human resources will enable us to drive the business in a successful and profitable manner.
4. **Quality Policy:** Total customer satisfaction is always the guiding principle in providing product excellence. We ensure this by Implementing and continually improving our quality management system, adhere to time line and schedules, being cost competitive, enabling teamwork with the organisation, doing things right the first time and every time etc.
5. **Customer Centric Business Model:** Our company focus on attaining highest level of customer satisfaction. Understanding the consumer is one of the most important skills required to be successful in this business. The progress to be achieved by us will be largely due to our ability to address and exceed customer satisfaction.
6. **ISO Certifications:** Our company is an ISO 9001:2015 and ISO 27001:2013 certified company for providing IT Consulting and Delivery Services, IT Recruitment and Staffing Services, Corporate Training Services and IT Product Development Services.

## OUR BUSINESS STRATEGY:

1. **Focus on Increase in Volume of Sales:** As a part of our growth strategy our focus is on increasing sales volume through expansion, diversification and spread in geographical outreach. We believe that our growth in local market can fetch us new business expansion and opportunities. We are currently providing our services to several clients domestically. Our emphasis is on scaling of our operations in other markets which shall provide us with attractive opportunities to grow our client base and revenues
2. **Reduction of operational costs and achieving efficiency:** Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. Our focus has been to reduce the operational costs to gain competitive edge.
3. **Quality Assurance:** Our endeavour is in maintaining quality services to our customers with standard operating procedures being put in place for quality and timely service management to our clients. Our company intends to strengthen its service effort by leveraging skills of its employees which will help to increase the sales of the Company and retain customers. Our company is an ISO 9001:2015 and ISO 27001:2013 certified company for providing IT Consulting and Delivery Services, IT Recruitment and Staffing Services, Corporate Training Services and IT Product Development Services.

4. **Leverage and enhance our goodwill in the market:** We believe that the Goodwill we have created in the market commands a recall amongst the consumers in the areas where we operate due to the image and goodwill established over the years. We intend to leverage this goodwill that we enjoy while we are in constant pursuit towards newer avenues for sustainable growth.
5. **Leveraging our Market skills and Relationships:** We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets. This is a continuous process in our organization and the skills that we impart in our people gives benefit to our customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting contracts in hand on time, maintaining our customer relationship and renewing our relationship with existing clients.

## SALES & MARKETING

Our company is having an Experienced & Customer Centric Business Development Team right from the Top Management till the on-field executive, whose main aim is to bring the business for the organisation in a right full way. The Company markets its products to currently different location across different states of India and abroad.

Details of state-wise sales are as follows:

₹ in lakhs

State	March 31, 2024	% Total Turnover	March 31, 2023	% Total Turnover	March 31, 2022	% Total Turnover
Karnataka	407.74	38.19%	166.96	21.26%	171.53	35.15%
Gujarat	51.47	4.82%	31.93	4.07%	-	-
Uttarakhand	30.00	2.81%	-	-	-	-
Tamil Nadu	28.81	2.70%	16.51	2.10%	22.94	4.70%
Telangana	20.69	1.94%	0.37	0.05%	2.63	0.54%
Maharashtra	8.93	0.84%	16.84	2.14%	25.84	5.30%
Uttar Pradesh	7.17	0.67%	-	-	-	-
Delhi	2.25	0.21%	-	-	-	-
<b>Total</b>	<b>557.08</b>	<b>52.17%</b>	<b>232.62</b>	<b>29.62%</b>	<b>222.95</b>	<b>45.69%</b>

Details of Country-wise sales are as follows:

₹ in lakhs

Country	March 31, 2024	% Total Turnover	March 31, 2023	% Total Turnover	March 31, 2022	% Total Turnover
United States of America	420.15	39.35%	446.20	56.82%	180.71	37.03%
United Kingdom	-	-	17.28	2.20%	35.82	7.34%
Germany	4.47	0.42%	13.27	1.69%	18.97	3.89%
Australia	47.62	4.46%	65.68	8.36%	29.55	6.05%
Malaysia	37.18	3.48%	7.48	0.95%	-	-
Sweden	1.29	0.12%	2.77	0.35%	-	-
<b>Total</b>	<b>510.70</b>	<b>47.83%</b>	<b>552.67</b>	<b>70.38%</b>	<b>265.05</b>	<b>54.31%</b>

₹ in lakhs

Particulars	March 31, 2024	% Total Turnover	March 31, 2023	% Total Turnover	March 31, 2022	% Total Turnover
Domestic	557.08	52.17%	232.62	29.62%	222.95	45.69%
Exports	510.70	47.83%	552.67	70.38%	265.05	54.31%
<b>Total</b>	<b>1,067.78</b>	<b>100.00%</b>	<b>785.29</b>	<b>100.00%</b>	<b>488.01</b>	<b>100.00%</b>

Our success lies in the strength of our relationship with our clients. Due to strong network, expertise in the industry, we have been able to get repeated projects from our clients. Our team, through their vast experience, efficiency and timely delivery, is able to source new businesses for our Company. To retain our customers, our team regularly interacts with our clients and focuses on gaining an insight of their data and information needs.

Our Company aims to reach our services globally to the maximum addressable market, at same time be a reliable partner to our client. We have partnered with some companies to augment our marketing efforts and to reach our services globally. This is in addition to the Sales and Marketing initiatives taken internally within Netanalytik.

## CUSTOMERS

The company provides services in India and other different Countries across various industries. The following is the breakup of the top five and top ten customers/suppliers of our Company for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022:

₹ in lakhs

Particulars	March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	In %	Amount	In %	Amount	In %
Top 5 Customers	720.00	67.43%	519.57	66.16%	311.53	63.84%
Top 10 Customers	912.64	85.47%	660.50	84.11%	417.67	85.59%

## FUTURE PROSPECTS

### *Cyber Security and Generative AI*

The global IoT industry is expected to rise to USD 1,854.76 billion by 2028, creating numerous opportunities for suppliers and businesses wanting to profit from IoT. The cybersecurity sector is expected to have a sizeable portion in the IoT market, considering the rapid expansion of the IT sector and the need for security. Revenue of the Indian cybersecurity industry is predicted to increase at a CAGR of 30.4% from USD 4.08 billion to USD 15.40 billion during 2018-2023E. The adoption of a cloud-first strategy, business-led innovation, remote working circumstances, an expanding threat landscape and increased threat awareness, domestic and international compliance standards, and data privacy are the main drivers of the Indian cybersecurity industry.

With the recent digitalisation boom, cybersecurity issues are also rising, especially infrastructure breakdown due to cyberattacks, identity theft and ransomware. To combat these issues, India has a strong and expanding cybersecurity ecosystem within a strong framework set up by the GoI, with private players offering several cybersecurity services and products. The GoI has taken elaborate steps and designated several organisations with responsibilities to ensure national security and other privacy concerns in cybersecurity. The outlook for Indian cybersecurity companies is also bright, as their revenue stream from foreign markets is on the rise. (source: [www.ibef.org](http://www.ibef.org))

The next major thing in human-AI collaboration could be generative artificial intelligence (Gen AI). It uses powerful machine learning to supplement, expedite, and automate content creation via the assimilation of unstructured, multimodal data such as text, code, photos, audio, 3D, and video. The potential economic benefits of generative AI are enormous, delivering higher productivity, automation, and enhanced decision-making capabilities, boosting growth, efficiency, and competitiveness across a wide range of industries. In India, generative AI is predicted to grow at a CAGR of 36% from US\$ 11.3 billion in 2023 to US\$ 51.8 billion by 2028.

The revolutionary potential of generative AI to alter sectors and drive economic growth is well recognised. According to a report in 2022, Generative AI could enhance global GDP by 7% (US\$ 7 trillion) and productivity by 1.5% over the next decade. Furthermore, it is anticipated that harnessing the power of Generative AI might contribute US\$ 15.7 trillion to the global economy by 2030. According to the World Economic Forum, there will be a 40% increase in the number of AI and machine learning experts by 2027. Gen AI has become a significant instrument for India, opening up economic potential in a variety of industries. (source: [www.ibef.org](http://www.ibef.org))

Considering the demand and opportunities, NetAnalytik is currently building capabilities in Cyber Security and Generative AI consulting and application development space. Solution accelerators and proof of concepts will be built in the respective Community of Practices (CoP) and demonstrated to the clients. This will be significant investment for the future and should provide the required momentum for the business growth in the coming years. We have developed partnerships with the Information Technology Companies to strengthen our offerings to our customers.



## SWOT ANALYSIS:

### Strengths:

- Expertise and Specialization:
  - Deep knowledge of the IT industry and trends allows for better recruitment and placement.
  - Ability to source and vet highly specialized IT professionals.
- Flexibility and Scalability:
  - Ability to quickly scale up or down based on client needs.
  - Flexibility to offer different engagement models (e.g., contract, permanent, project-based).
- Global Reach:
  - Capability to provide services across different geographies.
  - Access to a global talent pool, allowing for diverse and multicultural teams.
- Cost Efficiency:
  - Lower recruitment and training costs for companies as they outsource these functions.
  - Access to experienced professionals who can start contributing immediately.
- Speed to Market:
  - Rapid deployment of IT professionals to meet urgent project deadlines.
  - Established networks for quickly filling positions.

### Weaknesses:

- Dependency on Client Demand:
  - Fluctuations in client demand can affect business stability.
  - High dependency on key clients can create financial risks.
- High Competition:
  - Highly competitive market with numerous players offering similar services.
  - Pressure on margins due to price competition.
- Quality Control:
  - Ensuring consistent quality across different regions and teams can be challenging.
  - Risk of mismatch between client expectations and the actual performance of placed professionals.
- Employee Turnover:
  - High turnover rates within the IT industry can lead to difficulties in maintaining a stable talent pool.
  - The challenge of retaining top talent in a highly competitive market.
- Technology Changes:
  - Rapid changes in technology require continuous upskilling of the workforce, which can be costly and time-consuming.

### Opportunities:

- Growing Demand for IT Services:
  - Increasing digital transformation efforts by companies globally are driving demand for IT professionals.
  - Growth in emerging technologies (AI, ML, blockchain) creates new service opportunities.
- Expansion into New Markets:
  - Potential to expand services to untapped or emerging markets.
  - Opportunity to specialize in niche areas of IT that are seeing growth.
- Remote Work Trend:
  - The shift towards remote work opens up opportunities for sourcing talent from anywhere in the world.
  - Increased demand for remote IT manpower services.
- Value-Added Services:
  - Offering training, certification, and career development services can enhance client value.
  - Developing proprietary technology or platforms for managing talent pools more effectively.

### Threats:

- Economic Downturns:
  - Economic recessions can lead to reduced IT spending by companies, impacting demand for manpower services.
  - Budget cuts can lead to reduced outsourcing of recruitment services.
- Regulatory Challenges:
  - Changes in labor laws, visa regulations, and employment standards can impact the ability to provide services across borders.
  - Compliance with data protection regulations is increasingly important.

- Talent Shortage:
  - A shortage of skilled IT professionals can limit the ability to meet client demands.
  - Increased competition for top talent drives up costs.
- Technological Disruption:
  - Automation and AI could reduce the need for certain types of IT roles, impacting the demand for manpower services.
  - The rise of gig platforms may shift some demand away from traditional manpower services.
- Client Insourcing:
  - Clients may choose to insource recruitment and talent management, reducing their reliance on external manpower services.
  - Development of internal talent pools by clients could diminish the need for external providers.

## COMPETITION

The market for Manpower Services is both highly competitive and rapidly evolving. We primarily face competition from Indian IT services companies as well as international technology services companies which offer broad-based services. We anticipate this competition to grow as the demand for these services increases and we also expect additional companies to enter the Indian market. We expect that further competition will increase and potentially include firms in countries with lower personnel costs than those prevailing in India. However, we recognize that price alone cannot constitute sustainable competitive advantage. Flexibility to respond to changing business conditions is an important element towards maintaining a competitive position. In addition to competition from our competitors, we are also affected by competition faced by our customers, specifically large clients who operate in the IT/ITES sector.

## INSURANCE POLICIES OF OUR COMPANY

Policy No.	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured
0239762213	Group Medicare Policy	13-04-2024 to 12-04-2025	Total Number of Insured Person: 129 1. In patient Treatment. 2. Pre/Post Hospitalization 60/90. 3. Day Care. 4. Organ Donor. 5. Ambulance. 6. Maternity 7. Pre or Post Natal 8. Baby Day One Cover 9. Family Transportation Benefit 10. Other Additional Covers	TATA AIG General Insurance Company Limited	₹ 74.00 lakhs
D156317215	Digit Employees Compensation Insurance Policy	22-07-2024 to 21-07-2025	Total Employees Covered: 15 (Clerical Staff)	Go Digit General Insurance Limited	₹ 90.00 lakhs
0000000040171090	Commercial General Liability Insurance Policy	22-07-2024 to 21-07-2025	1. Defense Costs 2. Coverage for Premises 3. Cover for legal liability arising out of activities undertaken by Contractors & Sub-contractors on behalf of the Insured. 4. Cover for legal liability arising out of performance of any construction, modification, repair or renovation work by or on behalf of Insured. 5. Claim Series Clause 6. Cover for Promotional Events organized by the Insured 7. Cross Liability. AOY:AOA - ₹850 lakhs: ₹850 lakhs	SBI General Insurance Co. Limited	₹ 850.00 lakhs
4024/279547533/01/000	Professional Indemnity (Consultants) Insurance	19-01-2024 to 18-01-2025	1. Defamation Cover (including libel/slander) – Full limit.	ICICI Lombard General Insurance	₹ 400.00 lakhs

Policy No.	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured
	Policy Schedule		2. Infringement of Intellectual Property (excluding patents and trade secrets) – Full limit 3. Breach of Confidentiality Cover – Full limit. 4. Court Attendance Fee – sub limited to INR 12,500 per employee and INR 25,000 per director. 5. Loss of Documents Cover (including computer records) – sub limited to INR 2,00,00,000 in aggregate with a deductible of INR 1,00,000 for each and every claim. 6. Extended Reporting Period – 30 days. 7. Sanctions Clause. 8. New Subsidiaries – 10% (non USA/Canada). 9. Additional Insured, whenever required in written contract.	Company Limited	

## HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business as well as for our clients.

As on August 31, 2024, we had 53 employees, who works for our company as well as our clients in accordance with their respective designated goals. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth.

Designation-wise bifurcation of our employee is as under:

Designation	No. of Employees*
IAM Developer	1
IT Service Desk Engineer	1
Azure AD Analyst	3
Business Development Manager	1
Business Operations Manager	1
Chief Executive Officer	1
Chief Financial Officer	1
Chief Operating Officer	1
Client Relationship Manager	1
Company Secretary	1
CyberArk Analyst	1
CyberArk SME	1
Delivery Manager	1
Digital Marketing Specialist	1
Head - Growth	1
HR Specialist	3
Lead Recruiter	1
Machine Learning Developer	1
Manager - Human Resources	1
Ops Lead	1
Principal Network Consultant	1
Recruitment Specialist	1
SailPoint Analyst	1
SailPoint Consultant	1

Designation	No. of Employees*
Security Analyst	2
Security Consultant	1
Security Practice Lead	1
Senior Consultant	2
Senior Delivery Manager	1
Senior Full Stack Developer	1
Senior J2EE Consultant	1
Senior Software Engineer	2
Senior Technical Writer	1
Senior UI Developer	1
Service Desk Engineer	2
Software Engineer	9
WordPress Developer	1
<b>Total</b>	<b>53<sup>#</sup></b>

\* Includes employees working from our office, working from home, working at client location and hybrid (flexi working)

# All the 53 employees are covered under Provident Fund

Our company work processes, our skilled associate employees together with our strong and experienced management team have enabled us to successfully implement our growth plans.

#### CAPACITY AND CAPACITY UTILIZATION:

Our Company is a service provider engaged in providing Manpower Services, details relating to capacity utilisation does not apply to our Company.

#### PLANT AND MACHINERY

Since we are in service sector, we do not own plant and machinery. However, for our operations, we use Computers, UPS, Networking System etc.

#### UTILITIES AND INFRASTRUCTURE FACILITIES

Our registered office is located at Bangalore. Our offices are equipped with computer systems, servers, relevant software and other communication equipment, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.


#### Power

The company does not require much power except the normal requirement of the offices of the Company and for lighting, systems, etc. Adequate power is available for offices from Bangalore Electricity Supply Company Limited.

#### Water

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

#### INTELLECTUAL PROPERTY

Trademark	Registration No./ Application No.	Class of Registration	Trademark Type	Date of Issue/ Application	Status
	6596455	42	Device	August 28, 2024	Formalities Chk Pass

**PROPERTY DETAILS****Owned Property:** Nil**Leased/Rented Property:** As per below mentioned details

Details of the Deed/ Agreement	Particulars of the property	License Fee/Rent	Tenure of Lease	Usage
Addendum to Co-working Letter – Terms of Offer dated October 14, 2023 by 91springboard Business Hub Private Limited	91springboard, 4th Floor, Gopala Krishna Complex 45/3, Residency Road, Mahatma Gandhi Rd, Bengaluru, Karnataka, India – 560025 for 13 (thirteen) seats	₹ 1,36,037/- per month	12 months commencing from October 14, 2023	Registered Office

**EXPORT AND EXPORT OBLIGATIONS**

As on the date of Draft Prospectus, our Company does not have export obligations.

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable.*

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.*

*In addition to what has been specified in this draft prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labour laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “**Government and Other Approvals**” beginning on page no 176 of this draft prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

### **APPROVALS**

*For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Approvals**” beginning on page number 176 of this draft prospectus.*

### **INDUSTRY RELATED**

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

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

#### ***The Industrial Relations Code, 2020***

The new Code passed by the Parliament replaces and Consolidates three labour legislations, being The Industrial Disputes Act, 1947, The Trade Unions Act, 1926, and The Industrial Employment (Standing Orders) Act, 1946. It aims at consolidating and amending the laws relating to trade unions, conditions of employment in industrial establishments, investigation and settlement of industrial disputes. While it retains several provisions from the existing legal framework regarding retrenchment, lay-off closure, industrial disputes, trade union recognition, etc., new requirements have been introduced to simplify as well as add more structure to the existing regulations.



### ***The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA Act”)***

The CLRA Act was enacted to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA Act is applicable to every establishment in which 20 or more workmen are or were employed in the preceding 12 months as contract labour and to every contractor who employs or employed on any day during the preceding 12 months, 20 or more workmen. Every principal employer of an establishment to which the CLRA Act applies, shall apply for registration of the establishment with the appropriate registering office and get registered. Under the CLRA Act, the principal employer has to provide essential amenities like canteens, rest rooms, drinking water facilities and first aid facilities if the same is not provided by the contractor. Every contractor to whom the CLRA Act applies, is also required to obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license. Further under the CLRA Act, the principal employer has to ensure through a nominated representative that the Contractor distributes wages within the prescribed time, failing which the principal employer shall be liable to make payment of wages in full or the unpaid balance and recover the amount so paid from the Contractor.

Contravention of the provisions of the CLRA Act and the rules and regulations thereunder is punishable with imprisonment of up to three months and a fine of up to ₹1,000, or both and an additional fine of ₹100 for every day during which such contravention continues after conviction for the first such contravention.

### ***The Code on Wages, 2019***

The new Code replaces the following four laws: (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. Under the Act, the Central Government shall determine wage-related provisions in railways, mines, oil fields, etc., while the State Government is empowered to take such decisions in relation to other employments.

### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers. In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

### ***The Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation 104 of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Public Liability Insurance Act, 1991 (“PLI Act”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Payment of Gratuity Act, 1972.

- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- The Employees Compensation Act, 1923 (“EC Act”) and the rules framed thereunder
- Minimum Wages Act, 1948 (“MWA”) and the rules framed thereunder

### ***The Employees’ State Insurance Act, 1948 (“ESI Act”)***

The ESI Act was enacted to provide for certain benefits to employees in case of sickness, maternity and ‘employment injury’ and to make provisions for certain other matters in relation thereto. Employment injury means a personal injury to an employee caused by accident or an occupational disease arising out of and in the course of his employment, being an insurable employment. The ESI Act applies to all factories that are non- seasonal in nature and establishments that are notified by the appropriate state government in consultation with the Government of India from time to time. All employees in establishments covered by the ESI Act are required to be insured and the employer is also required to register himself under the ESI Act and maintain prescribed records and registers in addition to filing of forms with the concerned authorities. The ESI Act provides for a need-based social insurance scheme under which the employer and employee must contribute certain percentage of the monthly wage of the employees as prescribed by the Government of India from time to time to the Employee State Insurance Corporation established under the ESI Act.

If any contribution payable under this Act is not paid by the principal employer, he shall be liable to pay simple interest at the rate of 12% p.a. or at such higher rate as may be specified in the regulations till the date of its actual payment under the ESI Act.

### ***The Payment of Bonus Act, 1965 (“POB Act”)***

The POB Act, as amended was enacted to provide for the payment of bonus to persons employed in certain establishments where 20 (twenty) or more persons are employed on the basis of profits or on the basis of production or productivity and for matters connected therewith. Under the POB Act, every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹100 (Rupees one hundred only), whichever is higher, provided the employee has worked in the establishment for not less than 30 (thirty) working days in that year. The maximum bonus including productivity linked bonus that can be paid in any accounting year shall not exceed 20% of the salary/wage of an employee under the POB Act.

Contravention of the provisions of the POB Act by a company is punishable with imprisonment for a term of up to 6 (six) months or a fine of up to ₹ 1,000 (Rupees one thousand only) or both, against persons in charge of, and responsible to the company for the conduct of the business of the company at the time of contravention, as well as the company.

### ***The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”)***

The EPF Act, was enacted to provide for the institution of provident funds, pension fund and deposit-linked insurance fund for employees in factories and other establishments mandating registration of such establishments employing twenty or more persons or class of such establishments which the Central Government may, by notification in the Official Gazette, specify in this behalf. An establishment with less than 20 (twenty) employees can voluntarily opt for PF registration to protect employee’s benefits. Under the EPF Act, every employee whose wages are under ₹15,000 (Rupees Fifteen Thousand only) has to mandatorily contribute towards EPF and Employee Pension Scheme (“EPS”) if his/her wages (Basic + Dearness Allowance). If an employee is drawing wages over ₹15,000 per month, then he can ask for PF deductions from his salary. Both the employees and employers contribute 12% of the basic wages and dearness allowance to the provident fund (PF) account. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State Provident Fund Commissioner.

Any person who contravenes the provisions of the EPF Act would be punishable with imprisonment that can extend up to 1 (one) year and fine which may extend up to ₹ 10,000 (Rupees Ten Thousand only), according to the respective sections of POW Act violated. Repeated conviction under the same provision is punishable with imprisonment for a term which shall not be less than 1 (one) month, but which may extend to 5 (five) years and fine which may extend to ₹25,000 (Rupees Twenty-Five Thousand only) under the POW Act.

### ***The Payment of Gratuity Act, 1972 (“Gratuity Act”)***

The Gratuity Act was enacted to provide for a scheme for the payment of gratuity to employees engaged in factories, mines, oilfields, plantations, ports, railway companies, shops or other establishments and for matters connected therewith or incidental thereto at the time of termination of services. The Gratuity Act applies to employees engaged in establishments in which 10 (ten) or more persons are employed or were employed on any day of the preceding 12 (twelve) months; and as the Government of India may, by notification, specify, provided the employee has rendered his services for a period not less than 5 (five) years: (a) on his /her superannuation; (b) on his / her retirement or resignation; or (c) on his / her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply). The maximum gratuity exemption as per IT Act is ₹ 20,000 (Rupees Twenty Thousand only).

Any person who contravenes the provisions of the Gratuity Act would be punishable with imprisonment that can extend up to 2 (two) years and fine which may extend up to ₹ 20,000 (Rupees Twenty Thousand only), according to the respective sections of the Gratuity Act violated.

### ***The Equal Remuneration Act, 1976 (“ER Act”)***

The ER Act was enacted 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. The ER Act provides for setting up of Advisory committees to promote employment opportunities for women. Every Advisory Committee shall consist of not less than ten persons, to be nominated by the appropriate Government, of which one-half shall be women. Every employer should maintain such registers and other documents in relation to the workers employed by the employer in the prescribed manner given under the ER Act. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law.

Any person who contravenes the provisions of the ER Act would be punishable with imprisonment that can extend up to 1 (one) year and fine which may extend up to ₹ 10,000 (Rupees Ten Thousand only), according to the respective sections of the ER Act violated.

### ***The Employees Compensation Act, 1923 (“EC Act”)***

The EC Act was enacted to provide for the payment by certain classes of employers to their employees of compensation for injury by accident. The term "employer" under the EC Act includes any body of persons whether incorporated or not and any managing agent of an employer and the legal representative of a deceased employer, and, when the services of an employee are temporarily lent or let on hire to another person by the person with whom the employee has entered into a contract of service or apprenticeship, means such other person while the employee is working for him. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within 7 (seven) days of receiving a notice. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury.

### ***Employees Deposit Linked Insurance Scheme, 1976***

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### ***The Employees Pension Scheme, 1995***

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

### ***Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”)***

The POSH Act was enacted to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The POSH Act mandates every employer to provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace. The POSH Act provides that employers must formulate a policy against sexual harassment at workplace and that policy needs to be disseminated. The POSH Act defines ‘sexual harassment’ to include any unwelcome acts or a sexually determined behaviour (whether directly or by implication). ‘Workplace’ under the POSH Act has been defined very broadly to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and any place visited by the employee arising out of or during the course of employment.

The POSH Act mandates for constitution of an Internal Complaints Committee by every employer of a workplace along with constitution of Local Complaints Committee” to receive complaints of sexual harassment from establishments where the Internal Committee has not been constituted due to having less than ten workers or if the complaint is against the employer himself. Where the employer contravenes the provisions of the POSH Act, he would be punishable with fine which may extend up to ₹ 50,000 (Rupees Fifty Thousand only).

### ***Shops and commercial establishments legislations***

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

### ***The Maternity Benefit Act, 1961 (“Maternity Benefit Act”)***

The Maternity Benefit Act was enacted to regulate the employment of women in certain establishment for certain period before and after childbirth and to provide for maternity benefit and certain other benefits and is applicable to establishments in which 10 (ten) or more persons are employed. The Maternity Benefit Act provides that a woman will be paid maternity benefit at the rate of her average daily wage in the 3 (three) months preceding her maternity leave, provided the woman has worked for the employer for at least 80 (eighty) days in the 12 (twelve) months preceding the date of her expected delivery. The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks, of which not more than eight weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

In case of any contravention of the provisions of the Maternity Benefit Act or the rules made thereunder by the employer, he shall be punishable with imprisonment which may extend up to 1 (one) year, or with fine which may extend to ₹ 5,000/ (Rupees Five Thousand only), or with both.

### ***Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 (“ISMW Act”)***

The ISMW Act was enacted to regulate the employment of inter-State migrant workmen and to provide for their conditions of service and for matters connected therewith. The ISMW Act applies to every principal employer and/or every contractor who employs or employed, 5 (five) or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding twelve months. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed.

Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to one year or with fine which may extend to ₹1,000 (Rupees One Thousand only) or with both.

### ***Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (“Child Labour Act”)***

The Child Labour Act was enacted to prohibit the engagement of children in all occupations and to prohibit the engagement of adolescents in hazardous occupations and processes and the matters connected therewith or incidental thereto. “Child” under the Child Labour Act means a person who has not completed his fourteenth year of age or such age as may be specified in the Right of Children to Free and Compulsory Education Act. specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The Child Labour Act also provides for health and safety measures to be complied with by the employer.

### ***The Apprentices Act, 1961 (“Apprentices Act”)***

The Apprentices Act was enacted to provide for the regulation and control of training of apprentices and for matters connected therewith. “Apprentice” under the Apprentices Act means a person who is undergoing a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

### ***Relevant Labour Welfare Fund Legislations (“LWF Acts”)***

In order to look after the welfare of the workers by providing financial assistance to the workers in case of need, the relevant state legislatures have enacted LWF acts exclusively focusing on welfare of the workers. LWF Acts usually provide for the constitution of a Labour Welfare Fund and for the establishment of a Labour Welfare Board for the financing of activities to promote welfare of labour in the relevant state and for conducting activities and for matters connected therewith.

### ***National Apprenticeship Promotion Scheme (“NAPS”)***

NAPS was launched in August 2016 by Government of India to promote apprenticeship in the country by providing financial incentives, technology and advocacy support. The Regional Directorates of Skill Development and Entrepreneurship under Directorate General of Training are the implementing agencies in their regions in respect of all “Designated Trades” under the Act for all establishments falling under the Central Government jurisdiction. National Skill Development Corporation (NSDC) and CEOs of the Sector Skill Councils are the implementing agencies in their sectors in respect of “Optional Trades” for the establishment under the Central Government jurisdiction. The respective State Governments are the appropriate authorities in respect of any establishments other than those falling under the Central Govt. jurisdiction. State Apprenticeship Advisers (SAA) are implementing agencies in their regions in respect of all “designated trades” as well as “optional trades” for State Public Sector Units and private establishment falling under their jurisdiction as per the Apprentices Act 1961.

## **INTELLECTUAL PROPERTY LEGISLATIONS:**

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trademarks Act, 1999

### ***Indian Patents Act, 1970***

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### ***The Copyright Act, 1957***

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.



***Trademarks Act, 1999 (“TM Act”)***

The Trademarks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks

***Public Liability Insurance Act, 1991 (“Public Liability Act”)***

The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of ‘hazardous substances’ covered by the Public Liability Act has been enumerated by the Government pursuant to a notification. The owner or handler is also required to take out an insurance policy insuring against liability under this legislation. Any party violating the provisions of the Public Liability Act can be imposed with a fine, imprisonment or both.

***Consumer Protection Act, 2019 and Consumer Protection (E-Commerce) Rules, 2020 (“COPRA”)***

The COPRA will repeal the existing Consumer Protection Act, 1986, and shall come into force on such date as the Central Government may, by notification, appoint. The Consumer Protection Act, 1986 provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, 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 will, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The COPRA has brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online market place or online auction sites. The COPRA also provides for referring the disputes to mediation for early settlement of the disputes between the parties and also prescribes the offences and the penalties for such offences.

***Foreign Investment laws***

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy (“Consolidated FDI Policy”) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”) from time to time. Under the current FDI Policy (effective August 28, 2017) 100% foreign direct investment is permitted in IT/ITES sector, under the automatic route.

In terms of applicable regulations notified under FEMA and the SEBI (Foreign Portfolio Investors) Regulations, 2014 (“SEBI FPI Regulations”), investments by Foreign Portfolio Investors (“FPIs”) in the capital of an Indian company under the SEBI FPI Regulations are subject to certain limits individual holding limits of 10% of the capital of the company per FPI and the aggregate holding limit of 24% of the capital of the company. However, the aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a resolution of the company’s board of directors, followed by a special resolution by the shareholders and prior intimation to the RBI.

**GENERAL CORPORATE COMPLIANCE:**

***The Companies Act 1956 and the Companies Act, 2013:***

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.



## **TAX RELATED LEGISLATIONS:**

### ***Goods and Service Tax (GST):***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels: Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise– goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

### **OTHER LAWS:**

#### ***Municipality Laws***

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

#### ***Police Laws***

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same including registering eating houses and obtaining a 'no objection certificate' for operating such eating houses with the police station located in that particular area, along with prescribing penalties for non-compliance.

#### ***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.

#### ***Transfer of Property Act, 1882***

The transfer of property is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

#### ***Registration Act, 1908***

The Registration Act, 1908 ("Registration Act") has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of 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 of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

## OUR HISTORY AND CERTAIN CORPORATE MATTERS

### HISTORY AND BACKGROUND

Our Company was originally incorporated as a Private Limited Company in the name of “*Netanalytiks Technologies Private Limited*” on January 12, 2015 under the provisions of Companies Act, 2013 bearing Corporate Identification Number U74900KA2015PTC078233 issued by Registrar of Companies - Bangalore. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to “*Netanalytiks Technologies Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated August 08, 2024 bearing Corporate Identification Number U74900KA2015PLC078233 issued by Central Processing Centre.

### REGISTERED OFFICE

91 Springboard Gopala Krishna, Complex No. 45/3 Residency Rd MG Rd, Museum Road, Bangalore North, Karnataka, India, 560025.

### CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

Except as stated below, there has not been any change in our Registered Office since inception of the Company till the date of the Draft Prospectus.

Date	Details of Registered Office	Reason for Change
<i>At Incorporation</i>	<i>768, 10<sup>th</sup> Cross, Indira Nagar, II nd Stage, Bangalore-560038, Karnataka.</i>	----
<i>June 16, 2015</i>	<i>85, S2, Samrudhi Apartments, 21<sup>st</sup> Cross, CHBS Layout, Vijayanagar, Bbangalore Karnataka, India-560040.</i>	<i>For Administrative Convenience</i>
<i>October 18, 2021</i>	<i>GF 7, 337 Karuna Complex, Sampige Road, Malleshwaram, Bangalore, Karnataka, India, 560003.</i>	<i>For Administrative Convenience</i>
<i>June 19, 2023</i>	<i>91 Springboard Gopala Krishna, Complex No. 45/3 Residency Rd MG Rd, Museum Road, North Bangalore, Karnataka, India, 560025.</i>	<i>For Administrative Convenience</i>

### MAIN OBJECTS OF OUR COMPANY:

\*The Main objects of our Company as set forth in “Clause A” in the Memorandum of Association of our Company are as follows:

1. *To carry on the business of providing all kinds of IT solutions and services including Information technology based and enabled services, electronic remote processing, e-services which connect Social, Cloud, and Mobile technologies to enhance efficiency in retailing and help retailers leverage e-commerce opportunities through various modes, including manpower placement and consultancy services in the field of IT & IT enabled services, all types of Internet based/web enabled services, software and application development and maintenance, consulting and enterprise business solutions from sales and customer service to manufacturing and inventory, human resources, finance, and marketing management including Billing applications, Financial management applications for integration and analysis for financial and non-financial data, Order processing, Email marketing applications, Business Intelligence (BI), Enterprise Resource Planning (ERP), Data Management Applications, Supply chain management applications, Asset management applications, Procurement management, Customer (self-service) portals, Identity and Access Management (IAM) solutions, Enterprise Security Services, Testing Services, Industry-specific solutions.*
2. *To establish, provide, perform consultancy services in the field of information technology, related technical and commercial consultancy services, import and export of know-how in the field of computers, artificial intelligence and other related fields and to develop technical expertise for providing technology and technical know-how in the field of computers and information technology within India and globally.*
3. *To carry out research and development on state-of-the-art technology in software development and methodologies.*

4. To carry on the businesses of developer, designers, manufacturers, processors, assemblers, dealers, retailers, traders, distributors, importers, exporters, promoter, repairers or otherwise deal in all types, varieties and kinds of software and computer hardware, information technology based products and services, product components, accessories spares, hardware relating to communication network and multi-media or that may be invented in future, and to acquire, develop, install, maintain and run all types of services in the software and computer hardware, information technology based products and services, Enterprise Security Services, Testing Services, communication, and multimedia.

\*Our Company has altered the Main Objects of the Company as mentioned in “Clause A” of our MOA vide Special Resolution dated August 12, 2024 passed by the shareholders of the Company as mentioned above to clearly articulate our present and future objectives.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLE OF ASSOCIATION OF OUR COMPANY

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association and Article of Association:

Date of Amendment / Shareholders' resolution	Nature of Amendment
September 30, 2017	<ul style="list-style-type: none"> <li>Alteration in the Clause 5 of MoA pursuant to increase in Authorised Share Capital from ₹ 3,00,000/- divided into 30,000 Equity Shares of ₹ 10/- each to ₹ 30,00,000/- divided into 3,00,000 Equity Shares of ₹ 10/- each</li> </ul>
February 10, 2022	<ul style="list-style-type: none"> <li>Alteration in the Clause 5 of MoA pursuant to increase in Authorised Share Capital from ₹ 30,00,000/- divided into 3,00,000 Equity Shares of ₹ 10/- each to ₹ 50,00,000/- divided into 5,00,000 Equity Shares of ₹ 10/- each</li> </ul>
March 28, 2024	<ul style="list-style-type: none"> <li>Alteration in the Clause 5 of MoA pursuant to increase in Authorised Share Capital from ₹ 50,00,000/- divided into 5,00,000 Equity Shares of ₹ 10/- each to ₹ 5,00,00,000/- divided into 50,00,000 Equity Shares of ₹ 10/- each</li> </ul>
June 12, 2024	<ul style="list-style-type: none"> <li>Alteration in MOA &amp; AOA consequent upon conversion from Private Limited to Public Limited and subsequent change in the name of our Company from Netanalytiks Technologies Private Limited to Netanalytiks Technologies Limited.</li> </ul>
August 12, 2024	<ul style="list-style-type: none"> <li>Alteration in MOA pursuant to Change in Main Objects &amp; other matters which are necessary for the furtherance of the Objects.               <ol style="list-style-type: none"> <li>To carry on the business of providing all kinds of IT solutions and services including Information technology based and enabled services, electronic remote processing, e-services which connect Social, Cloud, and Mobile technologies to enhance efficiency in retailing and help retailers leverage e-commerce opportunities through various modes, including manpower placement and consultancy services in the field of IT &amp; IT enabled services, all types of Internet based/web enabled services, software and application development and maintenance, consulting and enterprise business solutions from sales and customer service to manufacturing and inventory, human resources, finance, and marketing management including Billing applications, Financial management applications for integration and analysis for financial and non-financial data, Order processing, Email marketing applications, Business Intelligence (BI), Enterprise Resource Planning (ERP), Data Management Applications, Supply chain management applications, Asset management applications, Procurement management, Customer (self-service) portals, Identity and Access Management (IAM) solutions, Enterprise Security Services, Testing Services, Industry-specific solutions.</li> <li>To establish, provide, perform consultancy services in the field of information technology, related technical and commercial consultancy services, import and export of know-how in the field of computers, artificial intelligence and other related fields and to develop technical expertise for providing technology and technical</li> </ol> </li> </ul>

Date of Amendment / Shareholders' resolution	Nature of Amendment
	<p><i>know-how in the field of computers and information technology within India and globally.</i></p> <p>3. <i>To carry out research and development on state-of-the-art technology in software development and methodologies.</i></p> <p>4. <i>To carry on the businesses of developer, designers, manufacturers, processors, assemblers, dealers, retailers, traders, distributors, importers, exporters, promoter, repairers or otherwise deal in all types, varieties and kinds of software and computer hardware, information technology based products and services, product components, accessories spares, hardware relating to communication network and multi-media or that may invented in future, and to acquire, develop, install, maintain and run all types of services in the software and computer hardware, information technology based products and services, Enterprise Security Services, Testing Services, communication, and multimedia.</i></p>

### CORPORATE PROFILE OF OUR COMPANY

Details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, distributors and customers, segment, capacity/facility creation, launch of key products, entry in new geographies, capacity built-up, location of manufacturing facilities, marketing and competition, please refer to the chapters titled **"Our Business"**, **"Our Management"** and **"Management's Discussion and Analysis of Financial Position and Results of Operations"** on pages 119, 146 and 202 respectively, of this Draft Prospectus.

### MAJOR EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Key Events & Milestones
2015	<ul style="list-style-type: none"> <li>○ <i>Business started in the name "Netanalytiks Technologies Private Limited".</i></li> </ul>
2024	<ul style="list-style-type: none"> <li>○ <i>Company converted from Private Limited Company to Public Limited Company i.e. "Netanalytiks Technologies Limited"</i></li> </ul>

### SIGNIFICANT FINANCIAL AND STRATEGIC PARTNERSHIPS

As on the date of this Draft Prospectus, our Company does not have any significant strategic or financial partners.

### TIME/COST OVERRUN IN SETTING UP PROJECTS

As on the date of this Draft Prospectus, there has been no time and cost overruns in the Company.

### LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS, CAPACITY/FACILITY CREATION OR LOCATION OF STORES

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/ facility creation and location of stores, see **"Our Business"** and **"History and Certain Corporate Matters"** on pages 119 and 140 of this draft prospectus.

### DEFAULTS, RESCHEDULING OR RESTRUCTURING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

As on the date of this Draft Prospectus, there has been no default, rescheduling or restructuring of borrowings with financial institutions or banks.

## DETAILS REGARDING MATERIAL ACQUISITIONS OR DIVESTMENTS OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS, ETC. IN THE LAST 10 YEARS

Except as mentioned below in chapter “*Our History and Certain Corporate Matters*” beginning on page no. 140, 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 Prospectus.

<i>Name of Transferee</i>	: <i>M/s. Lanquill Edtech Private Limited</i>
<i>Relationship of the promoter or directors of the issuer company</i>	: <i>Our Promoter i.e. Mr. Shankara Anantharamaiah Chilkunda and Mr. Lakshminarayana Ullala are the directors of M/s. Lanquill Edtech Private Limited</i>
<i>Summarized Information about Valuation`</i>	: <i>Our Company has entered into Business Transfer Agreement on September 19, 2022 with M/s. Lanquill Edtech Private Limited for transfer of AI-based online language lab with personalized learning, adaptive assessments and English proficiency certifications along with user manual, source code and training material, Identified Personnel along with Receivable from Debtors, Unsecured Loan, Gratuity etc. for a cash consideration of ₹2,10,00,000 (Rupees Two Crores Ten Lakhs only).</i>
<i>Effective Date of Transaction</i>	: <i>September 19, 2022</i>

### HOLDING COMPANY

As on the date of this Draft Prospectus, our Company does not have a holding company.

### JOINT VENTURES OF OUR COMPANY

As on the date of this Draft Prospectus, our Company does not have any joint ventures.

### SUBSIDIARIES OF OUR COMPANY

As on the date of this Draft Prospectus, our Company have one Foreign Subsidiary, details of which are provided below.

<i>Name of Subsidiary</i>	: <i>Netanalytiks Technologies Inc (Foreign Subsidiary, USA)</i>
<i>Corporate Information</i>	: <i>Netanalytiks Technologies Inc. was incorporated on February 19, 2024 in United States of America. The registered office of Netanalytiks Technologies Inc. is located at 8 The Green STE D, City-Dover, Country-Kent, Zip Code-19901.</i>
<i>Nature of Business</i>	: <i>Netanalytiks Technologies Inc. is engaged in providing Eco friendly IT Solutions which connects Social, Cloud and Mobile for gaining efficiency in retailing and help retailers to leverage e-commerce opportunities by various modes.</i>
<i>Capital Structure and Shareholding</i>	: <i>As on the date of this Draft Prospectus, the Authorized share capital of Netanalytiks Technologies Inc. is 100 shares with a par value of \$10 per share. Our Company holds 52% shareholding of Netanalytiks Technologies Inc. and remaining 48% shareholding held by Mr. Shankara Anantharamaiah Chilkunda (24%) and Mr. Lakshminarayana Ullala (24%)</i>
<i>Accumulated profits or losses not accounted for by our Company</i>	: <i>Since the company is incorporated on February 19, 2024 and there are no major transactions in Netanalytiks Technologies Inc and hence, the restated consolidated financials have not been provided</i>

**Key Financial Information as on March 31, 2024 on Consolidated vis-à-vis Standalone as per Audited Balance Sheet**  
*₹ in lakhs*

Particulars	FY 2023-24 (Consolidated)	FY 2023-24 (Standalone)
Share Capital	32.11	32.11
Reserve & Surplus	485.51	481.71
Minority Interest	3.91	-
Total Revenue	1,096.59	1,088.58
Net Profit	240.32	236.52

**ASSOCIATES OF OUR COMPANY**

As on the date of this Draft Prospectus, our Company does not have any associates.

**DETAILS OF SHAREHOLDERS' AGREEMENT**

As on date of this Draft Prospectus, there are no subsisting shareholders' agreements among our shareholders vis-à-vis our Company.

**AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE**

Neither our Promoters, nor any of the Key Managerial Personnel or Senior Management, Directors or employees of our Company have entered into an agreement, 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 the dealings of the securities of our Company.

**MATERIAL AGREEMENTS**

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners or financial partners, other than in the ordinary course of business.

For details on business agreements of our Company, see **"Our Business"** beginning on page 119 of this Draft Prospectus.

**GUARANTEES GIVEN BY OUR PROMOTERS**

Except as stated in **"Financial Indebtedness"** on page 200 of this Draft Prospectus, our Promoters have not given any guarantees on behalf of our Company.

**CAPITAL RAISING (DEBT / EQUITY)**

Except as set out in the Sections titled **"Capital Structure"** and **"Financial Indebtedness"** beginning on page no 56 and 200 respectively of this Draft prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

**INJUNCTION OR RESTRAINING ORDER**

Our company is not operating under any injunction or restraining order.

**DETAILS REGARDING PAST PERFORMANCE OF THE COMPANY.**

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to Section titled **"Financial Statements as restated"** beginning on page no. 169 of this Draft prospectus.

**CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST TEN (10) YEARS**

Except as mentioned in chapter **"Our History and Certain Corporate Matters"** beginning on page no. 140, there have been no changes in the activity of our Company during the last ten (10) years preceding as on the date of this Draft prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.



## **SHAREHOLDERS OF OUR COMPANY**

As on the date of this Draft Prospectus, our Company has 14 (Fourteen) shareholders. For further details in relation to the current shareholding pattern, please refer to Section titled “*Capital Structure*” beginning on page no. 56 of this Draft Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

As on the date of Draft Prospectus, our Company has 5 (Five) Directors on our Board consisting 1 (one) Managing Director, 1 (one) Whole-time Director, 1 (One) Non-Executive Director, and 2 (Two) Independent Directors. There is 1 (One) Woman Director in our Board. The details of the Directors are as follows:

The details of the Directors are as follows:

Sl. No.	Name of the Director	DIN	Current Designation	Date of Joining#
1	Shankara Anantharamaiah Chilkunda	07005503	Managing Director	12-01-2015
2	Lakshminarayana Ullala	07005391	Whole Time Director	12-01-2015
3	Kalyani Arudi Rudrappa	10555033	Non-Executive Director	01-04-2024
3	Hirahal Subramanyam Phaniraj	05183206	Independent Director	03-06-2024
5	Nikhil Dokania	08144861	Independent Director	01-04-2024

# Original date of appointment as per MCA database.

The following table sets forth details regarding the Board of Directors as on the date of this draft prospectus:

Sl. No.	Particulars	Details
1	Name of the Director	<b>Shankara Anantharamaiah Chilkunda</b>
	Father's Name	Anantharamaiah Krishnappa Chilkunda
	Residential Address	Flat No. 4065, Maple Block, Sobha Forest View, Vajarahalli Main Road Off Kanakapura Road, Thalaghattapura, Karnataka-560109.
	Date of Birth	16-11-1962
	Age	62 Years
	Designation	Managing Director
	DIN	07005503
	Occupation	Business
	Nationality	Indian
	Qualification	<ul style="list-style-type: none"> <li>o Bachelor of Engineering from Bangalore University in the year 1985.</li> <li>o Master of Technology in Aeronautical Engineering from Indian Institute of Technology, Kanpur in the year 1989.</li> <li>o Doctor of Philosophy in Aerospace Engineering from Indian Institute of Technology (Kanpur) in the year 1994.</li> </ul>
	No. of Years of Experience	More than 30 years of experience.
	Date of Appointment	Originally appointed as Director on 12-01-2015 and redesignated as Managing Director with the effect from 01.04.2024 for a period of 3 years.
	Terms of Appointment	Appointed for a period of 3 years; Liable to retire by rotation.
Directorship in other companies	<ul style="list-style-type: none"> <li>o Lanquill Edtech Private Limited</li> <li>o Netanalytikis Technologies Inc. (USA)</li> </ul>	
Other Ventures	Nil	

Sl. No.	Particulars	Details
2	Name of the Director	<b>Lakshminarayana Ullala</b>
	Father's Name	Subraya Badikilaya
	Residential Address	436, 10 <sup>th</sup> Cross, R H C S Layout Annapoorneshwari Nagar, Bangalore North, Bengaluru, Karnataka-560091.
	Date of Birth	22-07-1975
	Age	49 Years
	Designation	Whole-time Director
	DIN	07005391
	Occupation	Business
	Nationality	Indian
	Qualification	<ul style="list-style-type: none"> <li>o Bachelor of Engineering from University of Mysore in the year 1997</li> <li>o Master of Technology from Mangalore University in the year 2000.</li> </ul>
	No. of Years of Experience	More than 20 years of experience.
	Date of Appointment	Originally appointed as Director on 12-01-2015 and re-appointed as Whole Time Director with effect from 01.04.2024 for a period of 3 years.
	Terms of Appointment	Appointed for a period of 3 years.
	Directorship in other companies	<ul style="list-style-type: none"> <li>o Lanquill Edtech Private Limited</li> <li>o Netanalytikis Technologies Inc. (USA)</li> <li>o Netanalytikis Technologies Pty Ltd (Australia)</li> <li>o Sentenia Educational Solution Private Limited (Strike Off)</li> </ul>
Other Ventures	Nil	

Sl. No.	Particulars	Details
3	Name of the Director	<b>Kalyani Arudi Rudrappa</b>
	Father's Name	Rudrappa Kugenahalliganganna
	Residential Address	661, First Floor, 6 Main, 11 Cross Road, Near Hospitec Hospital, A E C S Layout A Block, Kudlu, Bengaluru, Karnataka-560068.
	Date of Birth	20.05.1980
	Age	44 Years
	Designation	Non-Executive Director
	DIN	10555033
	Occupation	Professional
	Nationality	Indian
	Qualification	<ul style="list-style-type: none"> <li>o Bachelor Of Engineering (Electronics and Communication) from the University of Mysore.</li> </ul>
	No. of Years of Experience	More than 17 years of experience.
	Date of Appointment	Appointed on 01.04.2024.
	Terms of Appointment	Liable to retire by Rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
4	Name of the Director	<b>Hirahal Subramanyam Phaniraj</b>
	Father's Name	Hirahal Venkobachar Subramanyam
	Residential Address	346 1st Floor, 9th Main 1st Cross, Behind Kaggis Bakery, Hanumanthanagar Bengaluru, VTC: Bangalore South, PO. Gaviopuram Extension, District: Bengaluru, State: Karnataka, PIN: 560019.
	Date of Birth	10-05-1980
	Age	44 Years
	Designation	Independent Director
	DIN	05183206
	Occupation	Professional
	Nationality	Indian
	Qualification	<ul style="list-style-type: none"> <li>o Master of Business Administration from Karnataka State Open University.</li> <li>o Company Secretary.</li> </ul>
	No. of Years of Experience	More than 17 years of experience.
	Date of Appointment	03-06-2024
	Terms of Appointment	For a period of 5 years with the effect from 03.06.2024 till 02.05.2029, Not liable to retire by rotation.
	Directorship in other companies	o Incline Corporate Services Private Limited
Other Ventures	PSRA & Associates	

Sl. No.	Particulars	Details
5	Name of the Director	<b>Nikhil Dokania</b>
	Father's Name	Vijay Kumar Dokania
	Residential Address	B-501 Pratham Heights, divine Life International School, Kamava-3, Narol, Ahmedabad, Gujarat-382405.
	Date of Birth	23-11-1989
	Age	35 Years
	Designation	Independent Director
	DIN	08144861
	Occupation	Professional
	Nationality	Indian
	Qualification	o Chartered Accountant
	No. of Years of Experience	More than 7 years of experience.
	Date of Appointment	01-04-2024
	Terms of Appointment	For a period of 5 years with the effect from 01.04.2024 till 31.03.2029; Not liable to retire by rotation.
	Directorship in other companies	Nil
Other Ventures	SGND & Associates	

## **BRIEF BIOGRAPHIES OF THE DIRECTORS:**

**Shankara Anantharamaiah Chilkunda**, aged 62 years, is the Promoter and Managing Director of our Company. He has been associated with our company since inception and was originally appointed as a First Director of the Company on January 12, 2015 and further he was re-designated as a Managing Director of the Company on April 01, 2024. He has completed in Bachelor of Engineering from Bangalore University in the year 1985, completed his Masters in Aeronautical Engineering from Indian Institute of Technology, Kanpur in the year 1989, completed his PHD Degree in Aerospace Engineering from IIT Kanpur in the year 1994. Having been associated with our company since its inception, he brings nearly 10 years of experience and a total of over 35 years in fields such as Information Technology (IT), Defence, and Aeronautics. He is responsible for day-to-day business operations and entrusted with the responsibility of the looking after the overall management of the Company.

**Lakshminarayana Ullala**, aged 49 years, is the Whole Time Director of our Company. He has been associated with our company since inception and was originally appointed as a First Director of the Company on January 12, 2015 and further he was re-appointed as a Whole Time Director of the Company on April 01, 2024. He has completed Bachelor of Engineering from University of Mysore in the year 1997, completed his Master of Technology from Mangalore University in the year 2000. Having been associated with our company since its inception, he brings nearly 10 years of experience and a total of over 25 years in fields such as Information Technology (IT). He is responsible for day-to-day business operations and entrusted with the responsibility of the looking after the overall management of the Company. His area of expertise includes working in MNC's in Product Development, Enterprise Security, Project Management, Delivery Management and Business Development functions. He is guiding force behind all strategic decisions.

**Kalyani Arudi Rudrappa**, aged 44 years, is the Non-Executive Director of our Company. She was appointed as Non-Executive Director of the Company on April 01, 2024. She has completed his Bachelor of Engineering in Electronics & Communication in the year 2001. She is having working experience of more than 17 years in Telecom Industry. She has a rich year of experience which helps company in decision making.

**Hirahal Subramanyam Phaniraj**, aged 44 years is an Independent Director of our Company. He was appointed as an Independent Director w.e.f. June 03, 2024. He has completed his Master of Business Administration from Karnataka State Open University in the year 2004 and he is a member of the Institute of Company Secretary since 2010. He has an experience of more than 18 years in rendering Corporate Law Services (clientele in the areas of Education, Pharma, Real Estate, Software, Hardware, ITES), Due Diligence Audit, giving advice on Joint Venture and Foreign Collaborations, Formation of Foreign Companies, Liaison Office, Branch Office, availing Project Finance from Banks and NBFC.

**Nikhil Dokania**, aged 35 years, is an Independent Director of our Company. He was appointed as an Independent Director w.e.f. April 01, 2024. He has completed his Bachelor's degree in Commerce from University of Calcutta in the year 2012 and he is a Member of The Institute of Chartered Accountants of India since 2017. He is having more than 7 years of experience in accounting, taxation (compliance and litigation), Internal Audit, Statutory Audit, Internal Control & Drafting the SOP etc.

## **FAMILY RELATIONSHIPS BETWEEN THE DIRECTORS**

None of the Directors of the Company have family relationship.

## **ARRANGEMENTS WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS**

None of the Directors of the Company have family relationship. There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a Senior Management as on the date of this draft prospectus.

## **COMMON DIRECTORSHIPS OF THE DIRECTORS IN LISTED COMPANIES WHOSE SHARES HAVE BEEN/WERE SUSPENDED FROM BEING TRADED ON ANY OF THE STOCK EXCHANGE DURING HIS/HER TENORS FOR A PERIOD BEGINNING FROM FIVE (5) YEARS PRIOR TO THE DATE OF THIS DRAFT PROSPECTUS**

None of the Directors are/were directors of any company whose shares were suspended from being trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years or to the extent applicable.

## **DIRECTOR'S ASSOCIATION WITH THE SECURITIES MARKET**

None of the Directors of our Company are associated with securities market.

## SERVICE CONTRACTS

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

## COMMON DIRECTORSHIPS OF THE DIRECTORS IN LISTED COMPANIES THAT HAVE BEEN/WERE DELISTED FROM STOCK EXCHANGES IN INDIA

None of the Directors are/were directors of any entity whose shares were delisted from any Stock Exchange(s). Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

## BORROWING POWERS OF THE BOARD

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The Board of Director vide the special resolution passed at their Extra Ordinary General Meeting dated August 12, 2024, allowed to borrow and that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 200 Crores.

## POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING:

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

## POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS:

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME Platform of BSE Limited.

## COMPENSATION OF OUR MANAGING DIRECTOR, WHOLETIME DIRECTORS AND EXECUTIVE DIRECTORS

The compensation payable to Managing Director, Wholetime Directors and Executive Directors 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 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

### The following compensation has been approved for Managing Director and Whole Time Directors Director.

Particulars	Shankara Anantharamaiah Chilkunda
Appointment/Change in Designation	Originally appointed as Director on 12-01-2015, designation changed to Managing Director on 01-04-2024 for a term of 3 years.
Current Designation	Managing Director
Terms of Appointment	For a term of 3 Years; Liable to retire by rotation
Remuneration, Perquisites and Benefits	<u>Remuneration</u> Remuneration by way of salary, perquisites and allowances not exceeding Rs. 48 lakhs (Rupees Forty Eight Lakhs only) per annum during the said period of 3 years subject to variation/revision as may be considered by the Board of Directors from time to time.
Compensation paid in the FY 2023-24	₹ 44.03 Lakhs



Particulars	Lakshminarayana Ullala
Appointment/Change in Designation	Originally appointed as Director on 12-01-2015, designation changed to Whole Time Director on 01-04-2024 for a period of 3 years.
Current Designation	Whole Time Director
Terms of Appointment	For a period of 3 years; Liable to retire by rotation.
Remuneration, Perquisites and Benefits	<p><u>Remuneration</u> Up to ₹ 48 lakhs per annum pursuant to provision and Schedule V of the Companies Act, 2013 and subject to the approval and with the authority of the Board and the Board may vary/alter the remuneration in terms of Schedule V and other applicable provisions if any, of the Companies Act, 2013. Any subsequent increase in remuneration beyond the limit as stated herein shall be done by way of passing a Special Resolution in General Meeting of the members of the Company. Further can recover the excess amount from the Whole-Time Director if he had received in excess of what would have been payable to him subject to the approval of members of the Company.</p> <p><u>Perquisites:</u> Whole-Time Director shall be entitled to perquisites like rent free residential furnished or otherwise accommodation or house rent allowance in lieu thereof together with reimbursement of expenses for utilization of Gas, Electricity, Water, reimbursement of medical expenses incurred in India or abroad (including insurance premium for medical and hospitalization policy) for self and family, leave travel concession for self and his family including dependents, Children education allowance, club fees, premium towards personal accident insurance premium and other payments in nature of benefits, perquisites and allowances as per rules of the Company subject to a ceiling of 10% of annual salary per annum. In the computation of the ceiling on remuneration the following perquisites shall not be included:- 1. Contribution to Provident Fund or Superannuation or Annuity fund or Gratuity as per the Rules of the Company. 2. Leave and encashment of an availed leave as per the rules of the Company.</p>
Compensation paid in the FY 2023-24	₹ 44.03 Lakhs

#### BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

We have no bonus or profit-sharing plan for our Directors.

#### PAYMENT OR BENEFIT TO NON-EXECUTIVE DIRECTORS OF OUR COMPANY

Apart from the remuneration to Executive Directors, if any as provided, our Non-Executive Directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act, 2013 and the Rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

#### THE DETAILS OF THE SHAREHOLDING OF OUR DIRECTORS AS ON THE DATE OF THIS DRAFT PROSPECTUS ARE AS FOLLOWS:

Sl. No.	Name of the Director Shareholder	Category/ Status	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Shankara Anantharamaiah Chilkunda	Managing Director	11,95,686	41.38%	29.80%
2	Lakshminarayana Ullala	Whole Time Director	11,95,686	41.38%	29.80%

#### INTEREST OF OUR DIRECTORS

Our Directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them as mentioned above. For further details, please refer to section titled “*Our Promoters and Promoter Group*” beginning on page no. 159 of this draft prospectus.

### ***Interest in the Property of our Company***

Except as stated in the heading titled “Properties” under the chapter titled “***Our Business***”, and Chapter titled “***Our Promoters and Promoter Group***” beginning on pages 119 and 159 of this Draft Prospectus, none of our Directors have interest in any property acquired or proposed to be acquired of our Company or by our Company.

### ***Interest in Promotion of the Company***

Our Promoters Shankara Anantharamaiah Chilkunda and Lakshminarayana Ullala, may be deemed to be interested in the promotion of our Company. For further details, please refer to chapter titled “***Our Promoter and Promoter Group***” beginning on page 159 of this Draft Prospectus.

### ***Interest in Business of the Company***

Except as stated in the chapter titled “***Our Business***”, “***Our Promoters and Promoter Group***” and “***Financial Information as Restated***” beginning on page 119, 159 and 169 respectively and to the extent of shareholding in our Company, if any, our directors do not have any other business interest in our Company.

### ***Other Interests in our Company***

Our directors 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 Directors towards Financial facilities availed by our Company, please refer to “***Financial Indebtedness***” and “***Financial Statement as Restated***” on page 200 and 169 respectively of this Draft Prospectus.

None of the relatives of our directors have been appointed to a place or office of profit in our Company other than mentioned elsewhere in the Draft prospectus. For further details, please refer to section titled “***Our Management***” on page no. 146 of this draft prospectus.

Further, except as disclosed under sub-section “***Shareholding of Directors in our Company***” above, none of our Directors hold any Equity Shares, Preference Shares or any other form of securities in our Company. Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue. Some of the directors also hold directorships in Promoter Group and Group Entities of our Company.

Our directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Except as stated in this section “***Our Management***” or the section titled “***Financial Information – Related Party Transactions***” beginning on page no 146 and 197 respectively of this draft prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in the business of our Company.

### **CHANGES IN THE BOARD OF DIRECTORS OF OUR COMPANY IN THE LAST THREE (3) YEARS OR TO THE EXTENT APPLICABLE ARE AS FOLLOWS:**

<b>Name</b>	<b>Date</b>	<b>Designation</b>	<b>Reason</b>
Shankara Anantharamaiah Chilkunda	01-04-2024	Managing Director	Re-designation
Lakshminarayana Ullala	01-04-2024	Whole Time Director	Re-appointment
Kalyani Arudi Rudrappa	01-04-2024	Non-Executive Director	Appointment
Hirahal Subramanyam Phaniraj	03-06-2024	Independent Director	Appointment
Nikhil Dokania	01-04-2024	Independent Director	Appointment

### **OTHER CONFIRMATIONS:**

- None of our Directors are on the RBI List of wilful defaulters or fraudulent borrowers as on the date of this draft prospectus.
- None of our Directors of our Company are a fugitive economic offender.
- Further, none of our directors are or were directors of any listed company whose shares.
  - (a) have been or were suspended from trading on any of the stock exchanges during the five years prior to the date of filing this draft prospectus or.
  - (b) delisted from the stock exchanges.
- None of the directors of our Company are debarred from accessing the capital market by SEBI.
- None of the Directors has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

## CORPORATE GOVERNANCE

*In terms of Regulation 15(2)(b) of the SEBI Listing Regulations, compliance with the corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI Listing Regulations shall not apply, in respect of listed entity which has listed its specified securities on the SME Exchange.*

*Furthermore, in terms of Regulation 15(3) of the SEBI Listing Regulations, notwithstanding Regulation 15(2) of the SEBI Listing Regulations, the provisions of the Companies Act, 2013 shall continue to apply, wherever applicable.*

*As per the abovementioned provisions of the Listing Regulations, we are not required to comply with the requirements of corporate governance relating to the composition of its board of directors, constitution of committees such as audit committee, nomination and remuneration committee, stakeholders' relationship committee, etc., as provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

Our Board has been duly constituted in compliance with the Companies Act. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act, our Board of Directors consists of 5 (Five) Directors (including One Women Director).

Sl. No.	Name of the Director	DIN	Current Designation
1	Shankara Anantharamaiah Chilkunda	07005503	Managing Director
2	Lakshminarayana Ullala	07005391	Whole Time Director
3	Kalyani Arudi Rudrappa	10555033	Non-Executive Director
4	Hirahal Subramanyam Phaniraj	05183206	Independent Director
5	Nikhil Dokania	08144861	Independent Director

## COMMITTEES OF OUR BOARD

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

### ❖ *Audit Committee*

*As per section 177 of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.*

Our Audit Committee was constituted pursuant to a resolution of our Board Meeting dated August 09, 2024. The Audit Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Nikhil Dokania	Chairperson	Independent Director
Hirahal Subramanyam Phaniraj	Member	Independent Director
Kalyani Arudi Rudrappa	Member	Non-Executive Director

Any member of this Committee ceasing to be a director shall also be ceased to be a member of this Committee. The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and the rules made thereunder.

### ***Powers of Audit Committee***

The Audit Committee shall have such powers as specified in the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as and when and to the extent applicable) and other powers as may be delegated by the Board of Directors from time to time subject to the provisions of any law for the time being in force.

### ***Role of Audit Committee***

The role of the Audit Committee shall include the following:  
The scope, functions and the terms of reference of the Audit Committee are such as enumerated in the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as and when and to the extent applicable) and such other functions as may be delegated by the Board of Directors from time to time subject to the provisions of any law for the time being in force.

The Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

### **❖ *Stakeholders' Relationship Committee***

***As per section 178 (5) of the Companies Act, 2013, The Board of Directors of a Company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non-executive director and such other members as may be decided by the Board***

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board Meeting dated August 09, 2024. The Stakeholders' Relationship Committee comprises of:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Hirahal Subramanyam Phaniraj	Chairman	Independent Director
Kalyani Arudi Rudrappa	Member	Non-Executive Director
Shankara Anantharamaiah Chilkunda	Member	Independent Director

Any member of this Committee ceasing to be a director shall also be ceased to be a member of this Committee. The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

### ***Role of the Stakeholders Relationship Committee***

The scope, functions and the terms of reference of the Stakeholders Relationship Committee are such as enumerated in the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as and when and to the extent applicable) and such other functions as may be delegated by the Board of Directors from time to time subject to the provisions of any law for the time being in force.

The Stakeholders' Relationship Committee shall meet at least once in a year.

### **❖ *Nomination and Remuneration Committee***

***As per section 178 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.***

Our Nomination and Remuneration Committee was constituted pursuant to a resolution of our Board Meeting dated August 09, 2024. The Nomination and Remuneration Committee comprises of:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Kalyani Arudi Rudrappa	Chairperson	Non-Executive Director
Hirahal Subramanyam Phaniraj	Member	Independent Director
Nikhil Dokania	Member	Independent Director

Any member of this Committee ceasing to be a director shall also be ceased to be a member of this Committee. The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

***Role of the Nomination and Remuneration Committee***

The scope, functions and the terms of reference of the Nomination and Remuneration Committee are such as enumerated in the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as and when and to the extent applicable) and such other functions as may be delegated by the Board of Directors from time to time subject to the provisions of any law for the time being in force.

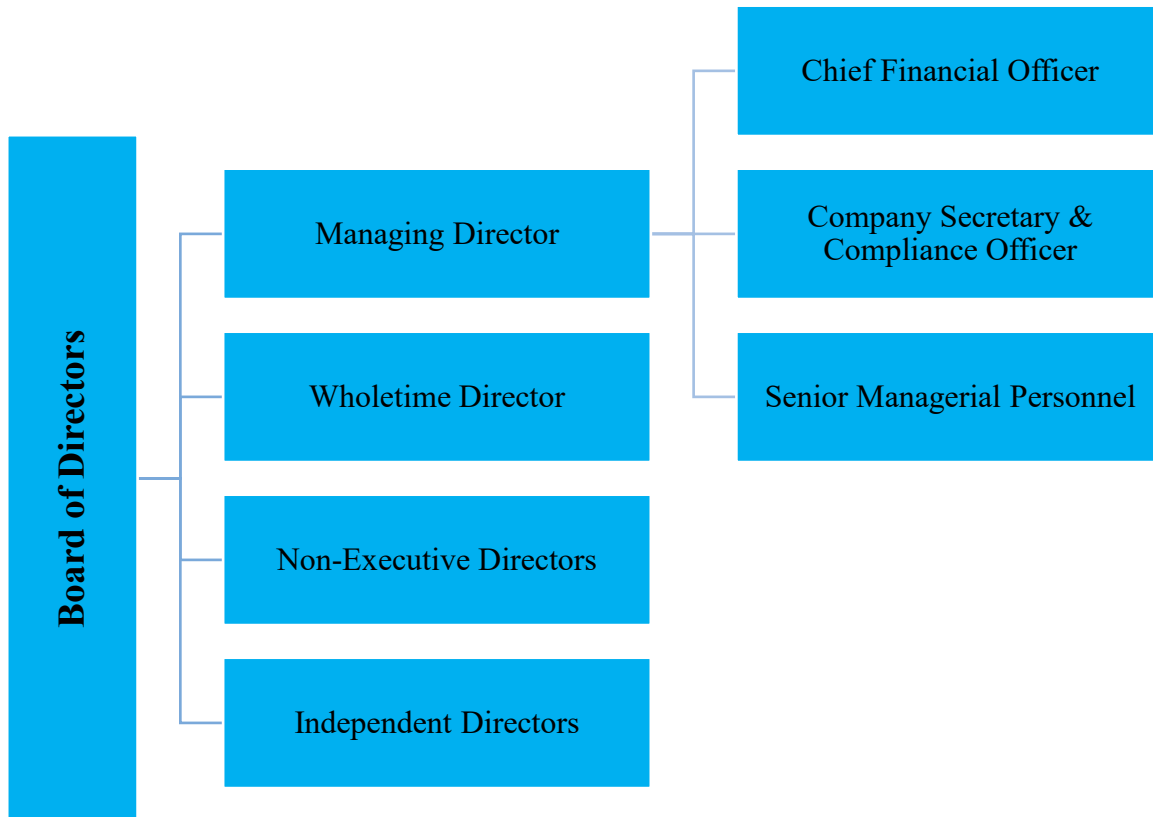
The Nomination and Remuneration Committee shall meet at least once in a financial year and quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

❖ **Corporate Social Responsibility Committee:**

***As per section 135 (1) of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.***

The Corporate Social Responsibility committee is not applicable to our company till the date of this draft prospectus. We will comply with the requirement as and when the CSR is applicable to us.

**MANAGEMENT ORGANIZATIONAL STRUCTURE:**



**OUR KEY MANAGERIAL PERSONNEL**

The details of the Key Managerial Personnel and Senior Management as on the date of this draft prospectus are set out below. All the Key Managerial Personnel and Senior Management are permanent employees of our Company. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel and Senior Management.

1. **Shankara Anantharamaiah Chilkunda**, aged about 62 years, is the Promoter and Managing Director of our Company. For details, please refer section titled **“Our Management”** beginning on page no. 146 of this Draft Prospectus.
2. **Lakshminarayana Ullala**, aged about 49 years, is the Promoter and Whole time Director of our Company. For details, please refer section titled **“Our Management”** beginning on page no. 146 of this Draft Prospectus.
3. **Sangita Ullala**, aged about 46 years, is the Chief Financial Officer of Our Company. She was appointed as Chief Financial Officer on April 15, 2024. Prior to joining Netanalytik, she was associated with Sanjay Singhal, Chartered Accountant Firm and worked there as a Senior Manager (Accounts) and her main scope of work areas involved there are Audit, Accounting & Taxation matters. She holds a Bachelor Degree in Commerce from University of Bangalore in the year 1998. She is having more than 10 years of experience in financial operations and related matters of the Company including ensuring tax compliance in all the accounting activities.
4. **Kodlu Ramakrishna Abhijith**, aged 35 years, is the Company Secretary and Compliance Officer of our Company with effect from April 01, 2024. He holds a Bachelor Degree in Commerce from University of Bangalore in the year 2010. He is a qualified Company Secretary and Associate member of the Institute of Company Secretaries of India since 2019 and is responsible for secretarial and compliance matters of the company. He is having more than 4 years of experience in Finance. Prior to joining our Company, he worked in the Law Firm i.e. Algo Legal as an Assistant Manager (Finance), his working areas were Financial Planning and Analysis (FP&A), Planning Budgeting and Forecasting, Internal Audit, Internal Control, Financial Accounting and Reporting, Statutory Audit, Control, Compliance & Corporate Finance.



## OUR SENIOR MANAGEMENT

**Sateesh Hegde**, aged 49 years, is the head of Sales & Marketing of our Company. He has completed his Post Graduate Diploma in Public Policy and Management from Indian Institute of Management, Bangalore in the year 2012. He is having more than 14 years of experience in B2B Software Sales. Prior to his appointment in our Company, he was associated with Edutel Technologies Private Limited as an VP-VTP Department for the period of 3 years starting from July, 2014 till June, 2017 and after that he was associated with Pixel as an VP-Business Development for the period of 2 years that is starting from June, 2017 till April, 2019.

**Sri Raksha**, aged 26 years, is the head of Human Capital Management of our Company. She has completed her Bachelor Degree from Mangalore University in the year 2016 & completed her Master's in Business Administration in Human Resource and Marketing from Justice K S Hegde Institute of Management, Nitte in the year 2020. Prior to her appointment in our Company, she was associated with ICICI Bank for the period of 6 months in the position of grade of Deputy Manager-I and after that she was associated Allegis Group as Recruiter Level I For the period of 2 years.

**Chandrashekar Adiga**, aged 45 years is the head of Talent Acquisition Department of our Company. He is an accomplished and highly experienced professional who boasts an impressive career in the dynamic and ever-evolving Knowledge/EdTech industry. His extensive background and deep-rooted expertise in this field underscore his unwavering commitment to driving organizational success through meticulously crafted strategic HR initiatives. In his current role, Chandrashekar is dedicated to delivering comprehensive and effective talent solutions tailored to meet the diverse needs of his clients. He focuses on addressing the multifaceted requirements of business, technology, and product hiring, ensuring that organizations are equipped with the best possible talent to achieve their strategic objectives.

## STATUS OF KEY MANAGEMENT PERSONNEL OR SENIOR MANAGEMENT IN OUR COMPANY

All our key managerial personnel or Senior Management are permanent employees of our Company.

## SHAREHOLDING OF KEY MANAGEMENT PERSONNEL OR SENIOR MANAGEMENT IN OUR COMPANY

The details of the shareholding of our Key Management Personnel or Senior Management as on the date of this draft prospectus are as follows: -

Sl. No.	Name of the Director Shareholder	Category/ Status	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Shankara Anantharamaiah Chilkunda	Managing Director	11,95,686	41.38%	29.80%
2	Lakshminarayana Ullala	Whole Time Director	11,95,686	41.38%	29.80%

## BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT

Our Company does not have a performance linked bonus or a profit-sharing plan for the Key Management Personnel or Senior Management. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel or Senior Management of our Company.

## INTERESTS OF KEY MANAGEMENT PERSONNEL OR SENIOR MANAGEMENT

Except as mentioned above in this draft prospectus, the Key Management Personnel or Senior Management do not have any interest in our Company, other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

## PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except as disclosed in this draft 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 provident fund, gratuity fund and employee state insurance.

Except as stated under section titled "*Financial Information as Restated*" beginning on page no 169 of this draft prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

#### **RELATIONSHIP AMONGST THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT OF OUR COMPANY**

None of the Key Managerial Personnel of the Company have family relationship except for Mr. Lakshminarayana Ullala who is spouse of Mrs. Sangita Ullala.

#### **RELATIONSHIP BETWEEN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT**

None of the Key Managerial Personnel of the Company have family relationship except for Mr. Lakshminarayana Ullala who is spouse of Mrs. Sangita Ullala.

#### **ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS/CUSTOMERS/ SUPPLIERS**

None of the above Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

#### **DETAILS OF SERVICE CONTRACTS OF THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel or Senior Management have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

#### **EMPLOYEE STOCK OPTION OR EMPLOYEE STOCK PURCHASE**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this draft prospectus.

#### **LOANS AVAILED BY DIRECTORS / KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT OF OUR COMPANY**

None of the Directors or Key Managerial Personnels or Senior Management have availed loan from our Company which is outstanding as on the date of this draft prospectus.

#### **CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT DURING THE LAST THREE (3) YEARS**

The changes in the Key Managerial Personnel or Senior Management of our Company in the last three (3) years are as follows:

<b>Name</b>	<b>Date</b>	<b>Designation</b>	<b>Reason</b>
Shankara Anantharamaiah Chilkunda	01-04-2024	Managing Director	Re-designation
Lakshminarayana Ullala	01-04-2024	Whole Time Director	Re-appointment
Sangita Ullala	15-04-2024	Chief Financial Officer	Appointment
Kodlu Ramakrishna Abhijith	01-04-2024	Company Secretary	Appointment


## OUR PROMOTERS AND PROMOTER GROUP


### 1. Our Promoters:

The Promoters of our Company are (i) **Mr. Shankara Anantharamaiah Chilkunda** and (ii) **Mr. Lakshminarayana Ullala**.

As on the date of this draft prospectus, our Promoters jointly hold **23,91,372** Equity Shares which in aggregate, almost constitutes **82.76%** of the pre issued paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "**Capital Structure**", on page 56 of this Draft Prospectus.

#### (i) Details of Individual Promoters of our Company

	<p><b>Shankara Anantharamaiah Chilkunda</b>, aged 62 years, is the Promoter and Managing Director of the company. For further personal details, please also refer to section titled "<b>Our Management</b>" beginning on page 146 of this draft prospectus.</p>
<b>Name of Promoter</b>	Shankara Anantharamaiah Chilkunda
<b>Father's Name</b>	Anantharamaiah Krishnappa Chilkunda
<b>Date of Birth</b>	16-11-1962
<b>Age</b>	62 Years
<b>Qualification</b>	<ul style="list-style-type: none"> <li>○ Bachelor of Engineering from Bangalore University in the year 1985.</li> <li>○ Master of Technology in Aeronautical Engineering from Indian Institute of Technology, Kanpur in the year 1989.</li> <li>○ Doctor of Philosophy in Aerospace Engineering from Indian Institute of Technology (Kanpur) in the year 1994.</li> </ul>
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	Flat No. 4065, Maple Block, Sobha Forest View, Vajarahalli Main Road Off Kanakapura Road, Thalaghattapura, Karnataka-560109.
<b>DIN</b>	07005503
<b>PAN</b>	AEBPC0732L
<b>Directorship in other companies</b>	<ul style="list-style-type: none"> <li>○ Lanquill Edtech Private Limited</li> <li>○ Netanalytiks Technologies Inc. (USA)</li> </ul>
<b>Other Ventures</b>	Nil

	<p><b>Lakshminarayana Ullala</b>, aged 49 years, is the Promoter and Whole Time Director of the company. For further personal details, please also refer to section titled <b>“Our Management”</b> beginning on page 146 of this draft prospectus.</p>
<b>Name of Promoter</b>	Lakshminarayana Ullala
<b>Father’s Name</b>	Subraya Badikillaya
<b>Date of Birth</b>	22-07-1975
<b>Age</b>	49 Years
<b>Qualification</b>	<ul style="list-style-type: none"> <li>o Bachelor of Engineering from University of Mysore in the year 1997</li> <li>o Master of Technology from Mangalore University in the year 2000.</li> </ul>
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	436, 10th Cross, R H C S Layout Annapoorneshwari Nagar, Bangalore North, Karnataka-560091.
<b>DIN</b>	07005391
<b>PAN</b>	ABHPL3884D
<b>Directorship in other companies</b>	<ul style="list-style-type: none"> <li>o Lanquill Edtech Private Limited</li> <li>o Netanalytiks Technologies Inc. (USA)</li> <li>o Netanalytiks Technologies Pty Ltd (Australia)</li> <li>o Sentenia Educational Solution Private Limited (Strike Off)</li> </ul>
<b>Other Ventures</b>	Nil

*Our Company confirms that it will submit the details of the PAN, Bank Account Number, Passport number, Aadhaar card number and driving license number of our Promoters to BSE separately at the time of filing the draft prospectus.*

#### (ii) Details of Body Corporate Promoter of our Company

We don’t have any Body Corporate Promoters.

#### CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

There has not been any major change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

#### EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter titled **“Our Management”** beginning on page no. of 146 this Draft Prospectus.

## INTERESTS OF OUR PROMOTERS

### ***Interest in the Promotions of our Company:***

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their respective equity shareholding in our Company and any dividend distribution that may be made by our Company with respect to their equity shares in the future. For details pertaining to our Promoter's shareholding, please refer to chapter titled "***Capital Structure***" beginning on page 56 of this Draft Prospectus.

### ***Interest in the property of our Company:***

Except as given in the chapter titled "***Our Business***" beginning on page 119 of this Draft Prospectus, our Promoters or Group Company do not have any interest in any property acquired by our Company in the preceding three (3) years of the date of this Draft Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery.

### ***Interest as Member of our Company:***

As on the date of this Draft Prospectus, our Promoter and Promoter Group collectively hold 24,29,982 Equity Shares of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company and benefits as provided in the section titled "***Our Management***" in that Remuneration details of our Directors on page 146 of this Draft Prospectus, our Promoter does not hold any other interest in our Company.

### ***Interest 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.

### ***Interest of Promoters in Sales and Purchases:***

There are no sales/purchases between our Company and our Group Entity other than as stated in the section titled "***Financial Information - Related Party Transactions***" beginning on page no. 197 of this draft prospectus.

### ***Other Interests in our Company:***

Except as disclosed in this draft prospectus, our Promoters have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

### ***Confirmations:***

Our Company hereby confirms that:

- None of our Promoters or Directors have been declared as a wilful defaulter or fraudulent borrower or is a fugitive economic offender.
- Neither our Company nor our Promoters, Promoter Group and Directors our Company are debarred from accessing the Capital Market by SEBI
- None of the promoters or directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by SEBI.

## PAYMENT OR BENEFITS TO THE PROMOTERS IN THE LAST TWO (2) YEARS

No payment or benefit has been made to the Promoters except as disclosed in the related party transaction. For further details, please refer to section titled "***Financial Information - Related Party Transactions***" beginning on page no. 197 of this draft prospectus.

## LITIGATION DETAILS PERTAINING TO OUR PROMOTERS

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters please refer to section titled "***Outstanding Litigations and Material Developments***" beginning on page no. 210 of this draft prospectus.

#### **DISASSOCIATION BY THE PROMOTERS FROM ENTITIES IN THE LAST THREE YEARS**

As on the date of this Draft Prospectus, none of our Promoters have disassociated themselves from any of the entities in the last three years.

#### **MATERIAL GUARANTEES PROVIDED BY OUR PROMOTERS**

Except as stated in the chapter titled ***“Financial Indebtedness”*** beginning on page 200 of this Draft Prospectus, there are no material guarantees given by our Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

#### **EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY**

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter titled ***“Our Management”*** beginning on page 146 of this Draft Prospectus.

#### **COMMON PURSUITS OF PROMOTERS AND PROMOTER GROUP ENTITIES**

Some of our Group Entities are involved in similar line of business as that of our Company. For further information on common pursuits and risks associated, please refer risk factor on *‘conflicts of interest’* in chapter titled ***“Risk Factors”*** beginning on page 21 of this Draft Prospectus.



### Our Promoter Groups:

In compliance with SEBI Guideline, “**Promoter Group**” pursuant to the regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

#### A) The promoter:

As per Regulation 2(1)(pp)(i) of the SEBI ICDR Regulations, the following are the Promoters:

- Mr. Shankara Anantharamaiah Chilkunda
- Mr. Lakshminarayana Ullala

#### B) Natural persons i.e., an immediate relative of the promoter (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Relationship	Name of the Promoters	
	Shankara Anantharamaiah Chilkunda	Lakshminarayana Ullala
<b>Father</b>	Late Anantharamaiah Krishnappa Chilkunda	Late Sri Subrarya Badikillaya
<b>Mother</b>	Jayalakshmi R N	Late Smt. Sridevi Ullala
<b>Brother</b>	1. Keshavamurthy C A 2. Chilkunda Anantharamaiah Srinivasamurthy 3. C A Narayana 4. Ramesha C A 5. Chilkunda Anantha Ramaiah Nagesha 6. Chilkunda Anantharamaiah Sridhar 7. C A Muralidhara	Vishnumurthy Badikillaya
<b>Sister</b>	NA	1. Jayalakshmi 2. Sumathi 3. Sumithra J Bhat
<b>Spouse</b>	Roopa Ramanna Somanahalli	Sangita Ullala
<b>Son</b>	NA	Shashwath Ullala
<b>Daughter</b>	Ritu Shankara Chilkunda	Shweta Ullala
<b>Spouse's Father</b>	Late Rammanna Gundappa Somanahalli	Late Sri Chandrashekhara Padakannaya
<b>Spouse's Mother</b>	Late Srilakshmi Keshavanarayanappa Hallimysore	Sita Padakannaya
<b>Spouse's Brother</b>	SR Mohankumar	NA
<b>Spouse's Sister</b>	NA	Kavita Murali Kalluri

\*NA means Not Applicable

#### C) Entities forming part of Promoter Group

As per Regulation 2(1)(pp)(iii) of the SEBI ICDR Regulations, in case Promoter is a Body Corporate

Nature of Relationship	Entity
Subsidiary or holding company of Promoter Company.	-
Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	-

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, in case Promoter is an Individual

Nature of Relationship	Entity
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 HUF in which promoter or any one or more of his immediate relatives is a member.	Lanquill Edtech Private Limited Netanalytiks Technologies Inc. (USA) Netanalytiks Technologies Pty Ltd (Australia)

Nature of Relationship	Entity
Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	Nil
Any Hindu Undivided Family or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than twenty percent of total capital.	Nil

D) *As per Regulation 2(1)(pp)(v) of the SEBI ICDR Regulations, all persons whose shareholding under the heading “shareholding of the promoter group”:*

- Roopa Ramanna Somanahalli

### GROUP ENTITIES OF OUR COMPANY

In compliance with SEBI Guideline, “Group Companies/Entities” pursuant to the regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018, shall include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Based on the above, the below mentioned are considered as Group Entities of our Company (Companies which are no longer associated with our company have not been disclosed as Group Companies).

#### 1. Lanquill Edtech Private Limited

<b>Name of the Entity</b>	<b>Lanquill Edtech Private Limited</b>	
<b>Category</b>	Private Company	
<b>Name of Directors</b>	1. Lakshminarayana Ullala 2. Shankara Anantharamaiah Ullala	
<b>Brief Description and nature of the activity or Business</b>	Company is engaged in providing Eco friendly IT Solutions which connects Social, Mobile and Cloud to provide best e-learning solutions to the learners of all the ages. Provide better interpretation to learn uses of technology in education, smart technology blended with creative design and to ease the process.	
<b>Date of Incorporation</b>	18-08-2022	
<b>CIN</b>	U74999KA2022PTC164991	
<b>PAN</b>	AAFCL1348A	
<b>Registered Office Address</b>	91 SpringBoard Gopala Krishna, Complex No. 45/3 Residency Rd MG Rd, Museum Road, North Karnataka, India, 560025.	
<b>Audited Financial Information (₹ in Lakhs)</b>		
<b>Particulars</b>	<b>FY 2023-24</b>	<b>FY 2022-23 (From 18.08.2022- 31.03.2024)</b>
<b>Share Capital</b>	1.28	1.28
<b>Reserves and Surplus</b>	(52.77)	62.52
<b>Net Worth</b>	(51.49)	63.80
<b>Total Income</b>	17.97	20.73
<b>Profit/(Loss) after Tax</b>	(115.29)	(42.18)
<b>Earnings Per Share (face value of ₹ 10/- each)</b>	(0.90)	(0.33)
<b>Net Asset Value Per Share (₹)</b>	(401.63)	497.66

#### Shareholding Pattern of Lanquill Edtech Private Limited as on 31.03.2024

Name of the Shareholders	No. of Shares	% of Shareholding
Lakshminarayana Ullala	4,459	34.78%
Shankara Anantharamaiah Chilkunda	4,459	34.78%
Kailash Khialdas Balani	2,820	22.00%
Hari Krishna Pammi	98	0.76%
Ravi Kumar Puli	148	1.15%
Girish Chandrashekar	67	0.52%
Pramod Dsouza	86	0.67%
Naga Vinod Duggirala	164	1.28%
Ravi Shankar Balike	66	0.51%
Roopa Ramanna Somanahalli	48	0.37%
Sangeeta Ajith Kamath	100	0.78%
Nagendra Subbarayappa	100	0.78%
Yogendra V Koimattur	29	0.23%
Prakash Gudnavar	10	0.08%
Ravi Prakash Reddy	166	1.29%
<b>Total</b>	<b>12,820</b>	<b>100.00</b>

## 2. Netanalytikis Technologies Inc

For details, kindly refer the Chapter titled **“Our History and Certain Corporate Matters”** on page no. 140 of this Draft Prospectus.

## 3. Netanalytikis Technologies Pty Ltd

<b>Name of the Entity</b>	Netanalytikis Technologies Pty Ltd		
<b>Category</b>	Proprietary Company limited by Shares		
<b>Name of Directors</b>	1. Lakshminarayana Ullala		
<b>Brief Description and nature of the activity or Business</b>	Company is engaged in providing IT Services and Solutions that leverage the latest technologies to transform their operations, improve efficiency and drive growth that tailored digital solutions. To develop new products and services that address evolving market demands. Its main goal is to prioritize customer, build long lasting relationships by offering responsive, proactive and personalized support.		
<b>Date of Incorporation</b>	12-02-2020		
<b>Australian Company Number</b>	639 076 805		
<b>Registered Office Address</b>	Victoria, Australia		
<b>Audited Financial Information (in \$)</b>			
<b>Particulars</b>	<b>Year 2024</b>	<b>Year 2023</b>	<b>Year 2022</b>
<b>Total Income</b>	Not	73,375	1,03,304
<b>Profit/(Loss) after Tax</b>	Available	2,331	4,696

### **Shareholding Pattern of Netanalytikis Technologies Pty Ltd as on 31.03.2024**

<b>Name of the Shareholders</b>	<b>No. of Shares</b>	<b>% of Shareholding</b>
Lakshminarayana Ullala	100 shares	100.00%
<b>Total</b>	<b>100</b>	<b>100.00%</b>

## LITIGATION

Our Group Company is not party to any pending litigation which may have a material impact on our Company. For details, see **“Outstanding Litigation and Material Developments – Litigations involving Group Companies”** beginning on page 210 of this Draft Prospectus.

## NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

- Our Group Companies do not have any interest in the promotion of our Company.
- Our Group Companies are not interested in the properties acquired by our company in the three (3) years preceding the filing of this Draft Prospectus or proposed to be acquired by our Company.
- Our Group Companies are not interested in any transactions for acquisition of plant, construction of building or supply of machinery.

## RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Other than the transactions disclosed in the chapter titled **“Restated Financial Statements - Related Party Transactions”** beginning on page 197 of this Draft Prospectus, there are no other business transactions between our Company and Group Companies.

## BUSINESS INTERESTS OR OTHER INTERESTS

Except as disclosed in the chapter **“Restated Financial Statements”** beginning on page 169, our Group Company do not have or propose to have any business interest in our Company.

## RELATED PARTY TRANSACTIONS

For details on related party transactions (As per the requirement under Accounting Standard 18 “Related Party Disclosure” issued by ICAI) of our Company during the restated audit period as mentioned in this draft prospectus i.e., for the financial year ended on 31st March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 please refer to Section titled, “*Financial Information - Related Party Transactions*”, beginning on page 197 of this draft prospectus.

## DIVIDEND POLICY

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

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 which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

The dividend declared by our Company on the Equity Shares in each of the last three Financial Years as mentioned below:

Particulars	F.Y 2023-24	F.Y 2022-23	F.Y 2021-22
Face Value per Equity Share (in ₹)	10.00	10.00	10.00
Dividend per Share	6.22	NA	NA
Dividend amount in total	₹ 20,00,000/- (Interim Dividend)	NA	NA

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amounts, if any in the future.



## SECTION IX: FINANCIAL INFORMATION

### FINANCIAL STATEMENTS AS RESTATED

#### Independent Auditor's Examination report on Restated standalone Financial Information of NetAnalytiks Technologies Limited

To,  
The Board of Directors  
**NetAnalytiks Technologies Limited**  
(*Erstwhile known as Netanalytiks Technologies Private Limited*)  
91 Springboard Gopala Krishna, Complex  
No. 45/3 Residency MG Rd, Museum Bangalore  
North Karnataka – 560025

Dear Sirs,

1. We **M/s. Vishnu Daya & Co LLP**, Chartered Accountant (“we” or “us”) have examined the attached Restated Standalone Financial Information of **NetAnalytiks Technologies Limited** (*Formerly known as NetAnalytiks Technologies Private Limited*) (the “Company” or the “Issuer”), comprising the Restated Standalone Statement of Assets and Liabilities as at March 31, 2024, 2023 and 2022, the Restated Standalone Statements of Profit and Loss, the Restated Standalone Cash Flow Statement for the years ended March 31, 2024, 2023 and 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “**Restated Standalone Financial Information**”), as approved by the Board of Directors of the Company at their meeting held on 10/09/2024 for the purpose of inclusion in the Draft Prospectus/ Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares at SME Platform of Exchange (“**SME IPO**”).
2. These restated Summary Statement have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (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”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Standalone Financial Information for the purpose of inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Karnataka and the Stock Exchange in connection with the proposed IPO. The Restated Standalone Financial Information have been prepared by the management of the Company on the basis of preparation stated in **Annexure IV** to the Restated Standalone Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Standalone Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 12/08/2024 in connection with the proposed IPO of equity shares of the Issuer;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These Restated Standalone Financial Information have been compiled by the management from the Audited Standalone Financial Statements of the Company for the financial years ended on March 31, 2024, 2023 and 2022, which has been approved by the Board of Directors. For the purpose of our examination, we have relied on:
- Audited financial statements of the Company as at and for the years ended March 31, 2024, 2023 and 2022 prepared in accordance with the Indian Accounting Standards (Indian GAAP) which have been approved by the Board of Directors at their meeting held on 31<sup>st</sup> May 2024, 2<sup>nd</sup> September 2023 and 2<sup>nd</sup> September 2022 respectively.
  - Auditors' reports issued by us dated 31<sup>st</sup> May 2024, 2<sup>nd</sup> September 2023 and 2<sup>nd</sup> September 2022 on the standalone financial statements of the company as at and for the years ended on March 31, 2024, March 31, 2023, March 31, 2022.
  - Reliance has been placed on the restated statement of assets and liabilities, the restated statements of profit and loss, statements of changes in equity, restated cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information") examined by us for the said years.
6. Based on our examination and according to the information and explanations given to us, we report that:
- The "**Restated standalone Summary Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated standalone summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more These fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - The "**Restated standalone Summary Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - The "**Restated standalone Summary Statement of Cash Flow**" as set out in **Annexure III** to this report, of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - The Restated Summary Statements 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;
  - The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
  - Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
  - There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 which would require adjustments in this Restated Financial Statements of the Company;
  - 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 policies and Notes to Accounts as set out in **Annexure IV** to this report;

- j) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made as per the Payment of Gratuity Act, 1972 basis in the Restated Summary Statements;
- k) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
- l) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- m) The company has declared Interim dividend of Rs. 20.00 Lakhs in FY 2023-24.
7. 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 as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 proposed to be included in the Draft Prospectus/Prospectus.

<b>Annexure No.</b>	<b>Particulars</b>
<b>I</b>	<b>Restated Statement of Assets &amp; Liabilities</b>
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Deferred Tax Liabilities/Assets
I.5	Restated Statement of Other Long-Term Liabilities
I.6	Restated Statement of Long-Term Provisions
I.7	Restated Statement of Short-Term Borrowings
I.8	Restated Statement of Current Maturity of Long-Term Liabilities
I.9	Restated Statement of Trade Payable
I.10	Restated Statement of Other Current Liabilities
I.11	Restated Statement of Short-Term Provisions
I.12	Restated Statement of Fixed Assets
I.13	Restated Statement of Non-Current Investment
I.14	Restated Statement of Long-Term Loans and Advances
I.15	Restated Statement of Other Non-Current Assets
I.16	Restated Statement of Current Investments
I.17	Restated Statement of Inventories
I.18	Restated Statement of Trade Receivable
I.19	Restated Statement of Cash & Cash Equivalent
I.20	Restated Statement of Short-Term Loans and Advances
I.21	Restated Statement of Other Current Assets
<b>II</b>	<b>Restated Statement of Profit &amp; Loss</b>
II.1	Restated Statement of Revenue from operations
II.2	Restated Statement of Other Income
II.3	Restated Statement of Cost of Material Consumed
II.4	Restated Statement of Stock-in-Trade
II.5	Restated Statement of Change in Inventories
II.6	Restated Statement of Employees Benefit Expenses
II.7	Restated Statement of Other Expenses
II.8	Restated Statement of Financial Charges
II.9	Restated Statement of Provision for Taxation
Other Annexures:	
III	Cash Flow Statement

IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related Parties & Transactions
X	Statement of Dividends
XI	Statement of Contingent Liabilities

8. We, M/s. Vishnu Daya & Co LLP, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “**Peer Review Board**” of the ICAI which is valid till 31-05-2026.
9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 5 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus / Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For, Vishnu Daya & Co LLP**  
**Chartered Accountants**  
**Firm Reg. No: 008456S/S200092**  
**PRC No: 015408**

Sd/-

**Hariprasad P**  
**Partner**  
**Membership No: 219987**  
**Place: Bengaluru**  
**Date: 10/09/2024**  
**UDIN No: 24219987BKBLSN8496**

**ANNEXURE - I**  
**STATEMENT OF STANDALONE ASSETS & LIABILITIES, AS RESTATED**

Particulars	Note No.	As on (Rs. In Lakhs)		
		31-03-2024	31-03-2023	31-03-2022
<b>I. EQUITY &amp; LIABILITIES</b>				
<b>(1) Shareholders Fund</b>				
a) Share capital	I.1	32.11	32.11	32.11
b) Reserves and surplus	I.2	481.71	265.18	181.29
c) Money received against share warrants		-	-	-
<b>Total Shareholder's Fund</b>		<b>513.81</b>	<b>297.29</b>	<b>213.40</b>
<b>(2) Share application money pending allotment</b>				
		-	-	-
<b>(3) Non-Current Liabilities</b>				
a) Long-Term Borrowings	I.3	-	7.39	74.40
b) Deferred Tax Liability (Net)	I.4	-	-	7.98
c) Other Long Term Liabilities	I.5	-	-	-
d) Long Term provisions	I.6	40.57	22.17	18.16
<b>Total Non Current Liabilities</b>		<b>40.57</b>	<b>29.56</b>	<b>100.54</b>
<b>(4) Current Liabilities</b>				
a) Short Term Borrowings	I.7	14.59	40.00	40.65
b) Current Maturity of Long Term Borrowings	I.8	7.04	11.12	11.26
b) Trade Payables				
- total outstanding dues of MSME; and	I.9			
- total outstanding dues of creditors other than MSME		13.92	38.54	4.94
c) Other Current Liabilities	I.10	12.76	43.70	39.86
d) Short Term Provisions	I.11	18.33	3.56	-
<b>Total Current Liabilities</b>		<b>66.64</b>	<b>136.91</b>	<b>96.71</b>
<b>Total Equity &amp; Liability</b>		<b>621.01</b>	<b>463.76</b>	<b>410.65</b>
<b>II. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
<b>a) Fixed Assets</b>				
(i) Property, Plant and Equipments		1.45	2.46	1.60
(ii) Intangible Assets	I.12	-	-	257.55
(iii) Capital Work-In-Progress		-	-	-
(iv) Intangible assets under development				
<b>Total Fixed Assets</b>		<b>1.45</b>	<b>2.46</b>	<b>259.15</b>
b) Non - current Investments	I.13	0.43	-	-
c) Deferred Tax Assets (Net)	I.4	14.66	5.73	-
d) Long Term Loans and Advances	I.14	-	-	-
e) Other Non- current Assets	I.15	62.13	137.02	1.92
<b>Total Non Current Assets</b>		<b>77.22</b>	<b>142.75</b>	<b>1.92</b>
<b>(2) Current assets</b>				
a) Current investments	I.16	-	-	-
b) Inventories	I.17	-	-	-
c) Trade Receivables	I.18	251.76	176.72	80.87
d) Cash and Cash Equivalent balances	I.19	42.01	90.80	43.77
e) Short Term Loans and advances	I.20	73.04	14.04	24.94
f) Other Current Assets	I.21	175.52	36.99	-
<b>Total Current Assets</b>		<b>542.33</b>	<b>318.55</b>	<b>149.58</b>
<b>Total Assets</b>		<b>621.01</b>	<b>463.76</b>	<b>410.65</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

**ANNEXURE - II**  
**STATEMENT OF STANDALONE PROFIT & LOSS, AS RESTATED**

Particulars	Note No.	For the Period/Year ended on (Rs. In lakhs)		
		31-03-2024	31-03-2023	31-03-2022
<b>Income</b>				
Revenue from Operations	II.1	1,067.78	785.29	488.01
Other Income	II.2	20.80	14.00	0.81
<b>Total Income</b>		<b>1,088.58</b>	<b>799.29</b>	<b>488.82</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.3	-	-	-
Purchase of Stock-in-Trade	II.4	-	-	-
Change in Inventories	II.5	-	-	-
Employee Benefit Expenses	II.6	507.51	386.30	294.67
Other Expenses	II.7	256.34	239.77	102.36
<b>Total Expenses</b>		<b>763.85</b>	<b>626.07</b>	<b>397.04</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>324.74</b>	<b>173.22</b>	<b>91.78</b>
Depreciation & Amortisation Expenses	I.12	1.01	0.68	18.07
<b>Profit Before Interest and Tax</b>		<b>323.73</b>	<b>172.54</b>	<b>73.71</b>
Financial Charges	II.8	4.77	10.72	10.53
<b>Profit before Taxation</b>		<b>318.96</b>	<b>161.82</b>	<b>63.19</b>
Provision for Taxation	II.9	91.37	43.21	10.74
Provision for Deferred Tax		(8.93)	(13.71)	5.38
<b>Total</b>		<b>82.44</b>	<b>29.51</b>	<b>16.12</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>236.52</b>	<b>132.31</b>	<b>47.07</b>
Extraordinary Items - Loss on Business Transfer		-	(48.42)	-
Profit Attributable to Minority Shareholders		-	-	-
<b>Net Profit after adjustments</b>		<b>236.52</b>	<b>83.89</b>	<b>47.07</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>236.52</b>	<b>83.89</b>	<b>47.07</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.



**ANNEXURE - III**  
**STATEMENT OF STANDALONE CASH FLOW, AS RESTATED**

PARTICULARS	For the Period/Year ended on (Rs. In lakhs)		
	31-03-2024	31-03-2023	31-03-2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax as per Profit & Loss A/c	318.96	113.40	63.19
Adjusted for :			
a. Depreciation	1.01	0.68	18.07
b. Interest Expenses & Finance Cost	4.77	10.72	10.53
c. Other Adjustments	-	-	-
d. Interest & Other Income	(20.63)	(11.99)	(0.10)
e. Unrealised foreign exchange (gain)/loss	(0.10)	0.55	0.11
f. Provision for Gratuity	18.39	4.02	11.68
g. Provision for Leave encashment	13.78	-	-
h. Bad debt written off	0.89	9.25	3.77
<b>Operating profit before working capital changes</b>	<b>337.07</b>	<b>126.62</b>	<b>107.24</b>
Adjusted for :			
a. Decrease / (Increase) in Inventories	-	-	-
b. Decrease / ( Increase ) in trade receivable	(75.83)	(105.66)	(4.78)
c. ( Increase ) / Decrease in short term loans and advances	(59.00)	10.90	(6.34)
d. Increase / ( Decrease ) in Trade Payables	(24.62)	33.59	7.59
e. Increase / (Decrease) in short term provisions	-	-	-
f. Increase / ( Decrease ) in other current liabilities	(30.94)	3.84	(13.17)
g. ( Increase ) / Decrease in Other Current Assets	(138.53)	(36.99)	(0.10)
<b>Cash generated from operations</b>	<b>(328.92)</b>	<b>(94.33)</b>	<b>(16.80)</b>
Net Income Tax (Paid)/Refund	(91.84)	(40.70)	(10.74)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>(83.69)</b>	<b>(8.41)</b>	<b>79.70</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITES</b>			
a. (Purchase) Sale of Fixed Assets	-	256.01	(23.43)
b. (Purchase) / Sale of non-current investment	(0.43)	-	-
c. ( Increase ) / Decrease in Long term loans and advances	-	-	-
d. Increase / ( Decrease ) in Long Term Provisions	-	-	-
e. ( Increase ) / Decrease in Other Non Current Assets	74.89	(135.10)	-
f. (Increase) in Misc. Expenses	-	-	-
g. Interest & Other Income	20.63	11.99	0.10
h. Decrease / ( Increase ) in Current Investments	-	-	-
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>95.09</b>	<b>132.91</b>	<b>(23.33)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITES</b>			
a. Interest & Finance Cost	(3.30)	(9.67)	(10.53)
b. Proceeds from share issued including Premium	-	-	61.01
c. ( Repayments ) / proceeds of long term borrowings	(11.47)	(67.15)	36.45
d. ( Repayments ) / proceeds of short term borrowings	(25.41)	(0.65)	(130.21)
e. Dividend paid	(20.00)	-	-
f. Investment	-	-	-
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>(60.19)</b>	<b>(77.47)</b>	<b>(43.28)</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>(48.79)</b>	<b>47.03</b>	<b>13.10</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>90.80</b>	<b>43.77</b>	<b>30.67</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>42.01</b>	<b>90.80</b>	<b>43.77</b>

## Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year
- The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

## Annexure IV

### **A. Background of the company:**

NetAnalytikis Technologies Limited ('the company') (formerly known as NetAnalytikis Technologies Private Limited) was incorporated on January 12th, 2015, under The Companies Act, 2013 ('the Act'), The registered office of the company is situated at 91 Springboard Gopala Krishna, Complex No. 45/3 Residency Rd, MG Rd, Museum Road, Bangalore, Bangalore North, Karnataka, India, 560025. The Company is engaged in providing Eco friendly IT solutions which connects Social, Cloud and Mobile for gaining efficiency in retailing and help retailers to leverage e-commerce opportunities by various modes. Further, the Company is also engaged in sourcing and placing/supply of skilled manpower in the client locations in the field of IT enabled services.

### **B. Statement of Significant Accounting Policies**

#### **1.1 Basis of Preparation of Financial Statements:**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) rules 2015.

The financial statements are prepared on accrual basis under the historical cost convention method. The financial statements are presented in Indian rupees.

#### **1.2 Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

#### **1.3 Fixed Assets:**

Fixed assets are carried at cost of acquisition less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

#### **1.4 Depreciation:**

The depreciation has been computed by considering the useful life of the asset as per Schedule II of the Companies Act, 2013 under straight line method. If the Management's estimate of the useful life of a fixed asset at the time of the acquisition of the asset or of the remaining useful life on a subsequent review is different from the aforesaid schedule, depreciation is provided at the applicable rate based on such different useful life as per the advice obtained from a competent technician.

Pursuant to Schedule and policy of the management, the estimated useful lives of the assets are as set out below.

<b>Category</b>	<b>Useful life</b>
Computers	3 years
Furniture and fixtures	10 years

Intangible assets consist of computer software and internally developed software product which are recorded at the acquisition costs and cost incurred for development of the software. Intangible assets are amortised over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. Pursuant to this policy, the rates determined by Management based on the estimated useful lives of the assets are as set out below.

<b>Category of assets</b>	<b>Estimated useful life (years)</b>
Computer software	3
Server & networks	6

### **1.5 Revenue Recognition:**

- i. Income by way of license fees charged on time basis and is accounted on time proportionate basis.
- ii. One time lifetime license fees is accounted as income upon the issue of the license and when there is the certainty of collection.
- iii. Income in respect of manpower supply is accounted on time proportionate basis.
- iv. Income from IT consultancy and services are recognised on time proportionate basis.
- v. Interest incomes and other incomes are recognized on accrual basis.

### **1.6 Taxes on Income:**

#### **Income tax**

Income tax expense comprises current tax for the year determined in accordance with the Income Tax Act, 1961.

#### **Deferred tax**

Deferred taxation is provided using the Assets method, in respect of the taxation effect originating from all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to reverse in subsequent periods.

### **1.7 Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

### **1.8 Provisions/Contingencies:**

A provision is recognized when there is a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined (as provided/charged to the Statement of Profit and Loss) based on estimate of the amount required to settle the obligation at the Balance Sheet date and are not discounted to present value. Contingent assets are neither recognized nor disclosed in the financial statements.

### **1.9 Borrowing Cost:**

Borrowing Cost attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

### **1.10 Leases:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments / receipts are recognised as an expense / income in the Statement of Profit and Loss.

#### **1.11 Transfer pricing:**

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law required existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the date as required by law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for tax.

#### **1.12 Foreign Currency Transactions:**

Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date; the resultant exchange differences are recognized in the Statement of profit and loss, except in case of exchange differences relating to long-term monetary items which are dealt with in the following manner:

In so far as they relate to the acquisition of a depreciable capital asset are added to/ deducted from the cost of the asset and depreciated over the balance life of the asset.

Non-monetary items which are carried in terms of historical costs denominated in a foreign currency are reported using the exchange rate at the date of the transactions.

#### **1.13 Segment Information:**

Based on the principles for determination of segments given in Accounting Standard 17 "Segment Reporting" issued by accounting standard notified by Companies (Accounting Standard) Rules, 2008, the company is mainly engaged in the activity surrounded with main business of the Company hence there is no reportable segment.

#### **1.14 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 & Loss Account in the year in which as the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

The company found no indication that any asset may be impaired. Therefore, there was no need to determine impairment Loss. Other disclosure requirements as per mandatory Accounting Standard AS – 28 are not applicable in the case of the company.

#### **1.15 Prior Period Expenditure:**

The change in estimate due to error or omission in earlier period is treated as prior period items. The items in respect of which liability has arisen/crystallized in the current year, though pertaining to earlier year is not treated as prior period expenditure.

#### **1.16 Extra Ordinary Items:**

The income or expenses that arise from event or transactions which are clearly distinct from the ordinary activities of the Company and are not recurring in nature are treated as extra ordinary items. The extra ordinary items are disclosed in the statement of profit and loss as a part of net profit or loss for the period in a manner so as the impact of the same on current profit can be perceived.

**1.17 Employee Benefits:**

Short Term Employee Benefits - Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

Gratuity provided as required under the Payment of Gratuity Act and the same is not funded. Compensated absence, a long term employee benefit is accrued based on eligible accumulated leave as per the Company policy.

**Annexure –V**

**Notes to the Re-stated Financial Statements:**

**I. Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

**II. Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

**III. Material Adjustments in Restated Profit & Loss Account:-**

Particulars	(Amount in Rs. In Lakhs)		
	For the FY ended		
	31-03-2024	31-03-2023	31-03-2022
<b>Profit After Tax as per Books of Accounts</b>	<b>236.52</b>	<b>83.89</b>	<b>47.07</b>
Adjustment for provision of Depreciation	-	-	-
Adjustment for provision of Income Tax	-	-	-
Adjustment for provision of Deferred Tax	-	-	-
<b>Profit After Tax as per Restated</b>	<b>236.52</b>	<b>83.89</b>	<b>47.07</b>

**IV. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2024 as Micro, Small or Medium enterprises. Consequently, the amount paid/payable to these parties could not be ascertainable.

There are no micro and small enterprises, as defined in the micro and small enterprises development act, 2006, to whom the company owes dues on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

**V. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.**

**VI. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.**

**VII. Expenditure in Foreign Currency:**

Particulars	(Rs. In Lakhs)		
	2023-24	2022-23	2021-22
Consultancy services	3.61	-	-
Software subscription charges	6.76	-	-

**VIII. Earnings in Foreign Exchange:**

Particulars	(Rs. In Lakhs)		
	2023-24	2022-23	2021-22
Sale of service	510.70	552.67	265.05



#### IX. Payment of Gratuity

Accounting Standard (AS) – 15 issued by ICAI is not applicable to the company. The company has made provision for Gratuity as provided in the Payment of Gratuity Act, 1972 i.e. (Basic+D.A) \* (15 days/26 days) is considered for each completed year of Service.

Particulars	2023-24	2022-23	2021-22
Gratuity at the beginning of the years	22.17	18.16	6.48
Charged to profit and loss	18.39	7.69	11.68
Benefits paid during the year	-	3.67	-
Closing provision	40.57	22.17	18.16

#### X. Leave Encashment

Accounting Standard (AS) – 15 issued by ICAI is not applicable to the company. The company has made provision for leave encashment benefit based on the accrued number of unutilized leaves at each balance sheet date.

#### XI. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

#### XII. Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee.

#### XIII. Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

#### XIV. Director Personal Expenses

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

#### XV. Deferred Tax Asset / Liability: [AS-22]

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

#### XVI. Related Party Disclosure

Information in accordance with the requirements for the Accounting Standard - 18 on Related Party Disclosures issued by The Institute of Chartered Accountants of India as reported in “Annexure IX”. We confirm that all the transaction are on Arm length as prescribed by the Income Tax Act.

#### XVII. Transfer of Business

In accordance with the terms of Business Transfer Agreement between Lanquill Edtech Private Limited dated 19th September 2022 ("transferee Entity") read with addendum dated 2<sup>nd</sup> November 2023 engaged in the service of IT solutions and the NetAnalytik Private Ltd ("transferor Company"), A part of the business is transferred by the transferor company on going concern basis. The effective date is September 15,2022. Details of the assets and liabilities transferred are as under:

<u>Particulars</u>	<u>Amount in Lakhs</u>	<u>Amount in Lakhs</u>
<u>Assets Transferred</u>		
Intangible Assets	257.55	
Sundry Debtors	22.36	
<b>Total Assets (A)</b>		<b>279.91</b>
<u>Liabilities Transferred</u>		
Shankar Chilkunda-Unsecured Loan	17.82	
Gratuity payable	3.67	
<b>Total Assets (B)</b>		<b>21.49</b>
<b>Business transfer consideration (C)</b>		<b>210.00</b>
<b>Loss on business transfer (A-B-C)</b>		<b>48.42</b>

### **ADDITIONAL DISCLOSURES WITH RESPECT TO AMENDMENTS TO SCHEDULE III AS RESTATED**

- a) The Company have no immovable property whose title deeds are not held in the name of the company.
- b) The Company has not revalued its Property, Plant and Equipment during the year.
- c) No Loans or Advances in the nature of loans are granted to promoters, Directors, Key Managerial Persons and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- d) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- e) The Company has used its borrowing for the specified purpose for which it was availed.
- f) The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- g) The Company does not have any transactions with struck off Companies under section 248 of the Companies Act, 2013.
- h) The Company has not traded in any crypto currency or virtual currency during the period covered in Restated Period.
- i) There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- j) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- k) The Company has complied with the number of layers prescribed under clause (87) of the section 2 of the Companies Act read with Companies (restriction on number of layers) rule 2017.
- l) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (intermediaries), with the understanding that the intermediary shall 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), or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- m) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall 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), or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**Annexure – I.1**  
(Rs. In lakhs)

**Restated Statement of Share Capital**

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Authorised Capital</b>			
50,00,000 Equity shares of ₹10/- each in 2023-24 and 5,00,000 Equity shares of ₹10/- each in 2021-22 & 2022-23	500.00	50.00	50.00
<b>Issued, Subscribed &amp; Fully Paid-up</b>			
3,21,056 Equity shares of ₹10/- each	32.11	32.11	32.11

Note: The Company has only one class of equity shares of par value ₹10/- each. Each equity shareholder is entitled to one vote per share held, and on liquidation entitled to receive balance of net assets remaining after settlement of all debts, creditors & preferential amounts, proportionate to their respective shareholding.

**Reconciliation of No. of Shares Outstanding at the end of the year**

(No. of Equity Shares)

Particulars	31-03-2024	31-03-2023	31-03-2022
Shares outstanding at the beginning of the year	3,21,056	3,21,056	3,00,000
Shares issued during the year	-	-	21,056
Bonus Issued during the year	-	-	-
<b>Share outstanding at the end of the year</b>	<b>3,21,056</b>	<b>3,21,056</b>	<b>3,21,056</b>

**Details of Shareholding more than 5% of the aggregate shares in the company**

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Lakshminarayana Ullala</b>			
No. of Shares	1,32,854	1,32,854	1,32,854
% Holding	41.38%	41.38%	41.38%
<b>Shankara A Chikunda</b>			
No. of Shares	1,32,854	1,32,854	1,32,854
% Holding	41.38%	41.38%	41.38%

**Details of Shareholding of Promoters**

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Lakshminarayana Ullala</b>			
No. of Shares	1,32,854	1,32,854	1,32,854
% Holding	41.38%	41.38%	41.38%
% change during the year	0.00%	0.00%	0.00%
<b>Shankara A Chikunda</b>			
No. of Shares	1,32,854	1,32,854	1,32,854
% Holding	41.38%	41.38%	41.38%
% change during the year	0.00%	0.00%	0.00%

Note: Only current promoters shareholding is shown in previous years

**Annexure – I.2**  
(Rs. In lakhs)

**Restated Statement of Reserve & Surplus**

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Statement of Profit &amp; Loss</b>			
Opening balance	169.72	85.82	38.76
Add: Profit for the year	236.52	83.89	47.07
Less: Interim dividend	(20.00)	-	-
<b>Total</b>	<b>386.23</b>	<b>169.72</b>	<b>85.82</b>
Less: Utilised for Bonus Issue	-	-	-
<b>Balance as at the end of the year for Profit &amp; Loss</b>	<b>386.23</b>	<b>169.72</b>	<b>85.82</b>
Security Premium Reserve	95.47	95.47	95.47
Less: Utilised for Bonus Issue	-	-	-
<b>Balance as at the end of the year for Security Premium</b>	<b>95.47</b>	<b>95.47</b>	<b>95.47</b>
Revaluation Reserves, if any	-	-	-
Other Reserves, If Any (Please Specify)	-	-	-
<b>Total Reserve &amp; Surplus</b>	<b>481.71</b>	<b>265.18</b>	<b>181.29</b>

## Annexure – I.3

(Rs. In lakhs)

## Restated Statement of Long Term Borrowings

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Secured Loans from Bank/FIs</b>			
HDFC-ECLGS loan	-	1.06	4.70
<b>Total of Secured Loans from Bank/FIs</b>	<b>-</b>	<b>1.06</b>	<b>4.70</b>
<b>Unsecured Loans from Bank/FIs</b>			
Bajaj Finance -Business loan	-	6.33	15.89
HDFC Bank loan A/c	-	-	4.59
ICICI business loan A/c	-	-	0.86
<b>Total of Unsecured Loans from Bank/FIs</b>	<b>-</b>	<b>6.33</b>	<b>21.34</b>
<b>Unsecured Loans from Related Parties</b>			
Loan from Directors	-	-	48.36
<b>Total of Unsecured Loans from Related Parties</b>	<b>-</b>	<b>-</b>	<b>48.36</b>
<b>Unsecured Loans from Others</b>			
NA	-	-	-
<b>Total of Unsecured Loans from Others</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Long Term Borrowings</b>	<b>-</b>	<b>7.39</b>	<b>74.40</b>

Note: There were no rescheduling or defaults in the repayment of loan taken by the Company

## Annexure – I.4

(Rs. In lakhs)

## Restated Statement of Deferred Tax Liabilities/Assets

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Deferred Tax Assets/Liabilities Provision</b>			
WDV As Per Companies Act 2013	1.45	2.46	259.15
WDV As Per Income tax Act	2.31	2.73	209.13
Difference in WDV	<b>0.85</b>	<b>0.27</b>	<b>(50.02)</b>
Provision for gratuity	40.59	22.17	18.16
Provision for leave encashment	13.78	-	-
Expenses disallowed	3.05	0.30	0.15
<b>(DTA)/DTL</b>	<b>14.66</b>	<b>5.73</b>	<b>(7.98)</b>
<b>Deferred Tax Assets Provision</b>			
Opening Balance of (DTA)/DTL	<b>(5.73)</b>	<b>7.98</b>	<b>2.60</b>
Add: Provision for the year	(8.93)	(13.71)	5.38
<b>Closing Balance of (DTA)/DTL</b>	<b>(14.66)</b>	<b>(5.73)</b>	<b>7.98</b>

## Annexure – I.5

(Rs. In lakhs)

## Restated Statement of Other Long Term Borrowings

Particulars	31-03-2024	31-03-2023	31-03-2022
NA	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Annexure – I.6

(Rs. In lakhs)

## Restated Statement of Long Term Provisions

Particulars	31-03-2024	31-03-2023	31-03-2022
Provision for gratuity	40.57	22.17	18.16
<b>Total</b>	<b>40.57</b>	<b>22.17</b>	<b>18.16</b>

## Annexure – I.7

## Restated Statement of Short Term Borrowings

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Secured Loans from Bank/FIs</b>			
HDFC - OD	14.59	40.00	40.65
<b>Total of Secured Loans from Bank/FIs</b>	<b>14.59</b>	<b>40.00</b>	<b>40.65</b>
<b>Unsecured Loans from Bank/FIs</b>			
NA	-	-	-
<b>Total of Unsecured Loans from Bank/FIs</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unsecured Loans from Related Parties</b>			
NA	-	-	-
<b>Total of Unsecured Loans from Related Parties</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unsecured Loans from Others</b>			
NA	-	-	-
<b>Total of Unsecured Loans from Others</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Short Term Borrowings</b>	<b>14.59</b>	<b>40.00</b>	<b>40.65</b>

The overdraft facility of Rs.40.00 Lakhs (Previous year : Rs. 40.00 Lakhs) availed from HDFC bank under CGTMS scheme secured against 50% of book debts and Personal guarantee of the directors of the Company. Rate of interest is payable at MCLR rate plus spread at mutually agreed rate.

## Annexure – I.8

## Restated Statement of Current Maturity of Long Term Borrowing

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Bajaj Finance- Business Loan	5.97	6.55	2.08
HDFC ECLGS- Loan	1.06	3.70	3.47
ICICI Bank Business Loan Account	-	0.86	5.71
<b>Total of Current Maturity of Long Term Borrowing</b>	<b>7.04</b>	<b>11.12</b>	<b>11.26</b>

## Annexure – I.9

## Restated Statement of Trade Payables

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Outstanding Dues for MSME Creditors	-	-	-
Outstanding Dues for Other than MSME Creditors	13.92	38.54	4.94
Disputed Creditors, if any	-	-	-
<b>Total</b>	<b>13.92</b>	<b>38.54</b>	<b>4.94</b>

*Note: Trade Payable Ageing schedule*

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>For MSME Creditors</b>			
Less Than 1 Years	-	-	-
1 - 2 Years	-	-	-
2 - 3 Years	-	-	-
More Than 3 Years	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>For Other than MSME Creditors</b>			
Less Than 1 Years	13.92	38.54	4.94
1 - 2 Years	-	-	-
2 - 3 Years	-	-	-
More Than 3 Years	-	-	-
<b>Total</b>	<b>13.92</b>	<b>38.54</b>	<b>4.94</b>

## Annexure – I.10

## Restated Statement of Other Current Liabilities

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Employee benefit payable	-	32.49	29.29
Other payables:			
-Statutory payable	11.50	11.21	9.47
-Amount payable towards investment in foreign subsidiary	0.43	-	-
Advance received from customer	0.82	-	1.10
<b>Total</b>	<b>12.76</b>	<b>43.70</b>	<b>39.86</b>

## Annexure – I.11

## Restated Statement of Short Term Provision

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Provision for income tax	4.55	3.56	-
Provision for leave encashment	13.78	-	-
<b>Total</b>	<b>18.33</b>	<b>3.56</b>	<b>-</b>

## Annexure – I.12

## Restated Statement of Fixed Assets

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Tangible Assets</b>	-	-	-
Land & Building	-	-	-
Plant & Machinery	-	-	-
Furniture & Fittings	0.11	0.17	0.23
Computers, Printers & Other Accessories	1.03	1.76	1.37
Mobile	0.32	0.53	-
<b>Total Net Block of Tangible Assets</b>	<b>1.45</b>	<b>2.46</b>	<b>1.60</b>
<b>B) Intangible Assets</b>	-	-	<b>257.55</b>
<b>C) Capital Work-In-Progress</b>	-	-	-

## Annexure – I.13

## Restated Statement of Non - current Investments

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Investments in share capital^	0.43	-	-
<b>Total</b>	<b>0.43</b>	<b>-</b>	<b>-</b>

^ Unquoted: 52 shares of \$10/- each (previous year: Nil) in NetAnalytikis Technologies Inc, USA, Subsidiary Company (At Cost)

## Annexure – I.14

## Restated Statement of Long Term Loans &amp; Advances

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
NA	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Annexure – I.15

## Restated Statement of Other Non-current Assets

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Fixed deposit^	2.13	2.02	1.92
Lanquill Edtech Business consideration receivable	60.00	135.00	-
<b>Total</b>	<b>62.13</b>	<b>137.02</b>	<b>1.92</b>

^ Fixed deposit is held as margin money for bank guarantee availed by the company and the same is due for maturity more than 12 months.



## Annexure – I.16

(Rs. In lakhs)

## Restated Statement of Current Investments

Particulars	31-03-2024	31-03-2023	31-03-2022
NA	-	-	-
<b>Total</b>	-	-	-

## Annexure – I.17

(Rs. In lakhs)

## Restated Statement of Inventories

Particulars	31-03-2024	31-03-2023	31-03-2022
Nil	-	-	-
<b>Total</b>	-	-	-

## Annexure – I.18

(Rs. In lakhs)

## Restated Statement of Trade Receivables

Particulars	31-03-2024	31-03-2023	31-03-2022
Undisputed Trade receivables – considered good	251.76	176.72	80.87
Undisputed Trade receivables – considered doubtful	-	-	-
Disputed Trade receivables – considered good	-	-	-
Disputed Trade receivables – considered doubtful	-	-	-
<b>Total</b>	<b>251.76</b>	<b>176.72</b>	<b>80.87</b>

## Note: Trade Receivable Ageing schedule

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Less Than 6 Months	250.38	175.06	70.87
6 Months - 1 Years	1.38	1.66	9.99
<b>Total</b>	<b>251.76</b>	<b>176.72</b>	<b>80.86</b>

## Annexure – I.19

(Rs. In lakhs)

## Restated Statement of Cash and Cash Equivalents

Particulars	31-03-2024	31-03-2023	31-03-2022
Cash In Hand	0.05	0.06	0.13
Balance With Bank (in Current Accounts)	32.50	90.74	43.64
Fixed Deposit in Bank	9.46	-	-
<b>Total</b>	<b>42.01</b>	<b>90.80</b>	<b>43.77</b>

## Annexure – I.20

(Rs. In lakhs)

## Restated Statement of Short Term Loans and Advances

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Loans and Advances to others Unsecured, Considered good</b>			
Employee advance	5.36	0.72	1.47
Balance with revenue authority	8.33	1.44	-
Income tax and TDS	-	-	15.02
Security Deposit	5.00	5.00	5.00
Rental Deposit	3.25	1.99	1.86
Advance to suppliers	27.14	-	0.27
Prepaid expenses	23.96	4.89	1.32
<b>Total</b>	<b>73.04</b>	<b>14.04</b>	<b>24.94</b>

## Annexure – I.21

(Rs. In lakhs)

## Restated Statement of Other Current Assets

Particulars	31-03-2024	31-03-2023	31-03-2022
Interest due on business transfer consideration receivable	29.27	11.99	-
Lanquill Edtech Business consideration receivable	100.00	25.00	-
Unbilled Revenue	46.16	-	-
Accrued Interest on fixed deposit	0.09	-	-
<b>Total</b>	<b>175.52</b>	<b>36.99</b>	-

## Notes forming part of Financial Statements

(All amounts in Indian Rupees (₹) (in Lakhs) unless otherwise stated)

## Property, Plant and Equipment

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	Opening 01.04.2023	Additions during the period	Disposal / Adjustment	As on March, 2024	Opening 01.04.2023	for the period	Disposal / Adjustment	As on March, 2024	As on March, 2024	As on March 31, 2023
<b>Tangible Asset</b>										
Computers and accessories	5.78	-	-	5.78	4.02	0.73	-	4.75	1.03	1.76
Mobile	0.68	-	-	0.68	0.15	0.22	-	0.37	0.32	0.53
Furniture and fixtures	0.63	-	-	0.63	0.46	0.06	-	0.52	0.11	0.17
<b>Total</b>	<b>7.09</b>	<b>-</b>	<b>-</b>	<b>7.09</b>	<b>4.63</b>	<b>1.01</b>	<b>-</b>	<b>5.64</b>	<b>1.45</b>	<b>2.46</b>
<b>Intangible assets</b>										
Software	0.52	-	-	0.52	0.52	-	-	0.52	-	-
<b>Total (B)</b>	<b>0.52</b>	<b>-</b>	<b>-</b>	<b>0.52</b>	<b>0.52</b>	<b>-</b>	<b>-</b>	<b>0.52</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>7.61</b>	<b>-</b>	<b>-</b>	<b>7.61</b>	<b>5.15</b>	<b>1.01</b>	<b>-</b>	<b>6.16</b>	<b>1.45</b>	<b>2.46</b>
Previous Year	290.69	1.54	284.62	7.61	31.53	0.68	27.06	5.15	2.46	259.15

## Property, Plant and Equipment

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	Opening 01.04.2022	Additions during the year	Disposal / Adjustment	As on March 31, 2023	Opening 01.04.2022	for the year	Disposal / Adjustment	As on March 31, 2023	As on March 31, 2023	As on March 31, 2022
<b>Tangible Asset</b>										
Computers and accessories	4.92	0.86	-	5.78	3.55	0.47	-	4.02	1.76	1.37
Mobile	-	0.68	-	0.68	-	0.15	-	0.15	0.53	-
Furniture and fixtures	0.63	-	-	0.63	0.40	0.06	-	0.46	0.17	0.23
<b>Total (A)</b>	<b>5.55</b>	<b>1.54</b>	<b>-</b>	<b>7.09</b>	<b>3.95</b>	<b>0.68</b>	<b>-</b>	<b>4.63</b>	<b>2.46</b>	<b>1.60</b>
<b>Intangible assets</b>										
Product development	284.62	-	284.62	-	27.06	-	27.06	-	-	257.55
Software	0.52	-	-	0.52	0.52	-	-	0.52	-	-
<b>Total (B)</b>	<b>285.14</b>	<b>-</b>	<b>284.62</b>	<b>0.52</b>	<b>27.58</b>	<b>-</b>	<b>27.06</b>	<b>0.52</b>	<b>-</b>	<b>257.55</b>
<b>Total (A+B)</b>	<b>290.69</b>	<b>1.54</b>	<b>284.62</b>	<b>7.61</b>	<b>31.53</b>	<b>0.68</b>	<b>27.06</b>	<b>5.15</b>	<b>2.46</b>	<b>259.15</b>
<b>Previous Year</b>	<b>267.26</b>	<b>132.45</b>	<b>109.02</b>	<b>290.69</b>	<b>13.46</b>	<b>18.07</b>	<b>-</b>	<b>31.53</b>	<b>259.15</b>	<b>253.80</b>

**Annexure –II.1**  
**(Rs. In lakhs)**

**Restated Statement of Revenue from operations**

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Sale from Software Products</b>			
- Domestic Sales	-	33.13	46.25
- Export Sales	-	-	-
<b>Total Sale from Software Products</b>	<b>-</b>	<b>33.13</b>	<b>46.25</b>
<b>Sale from Service Activities</b>			
- Domestic Sales	557.08	199.49	176.71
- Export Sales	510.70	552.67	265.05
<b>Total Sale from Service Activities</b>	<b>1,067.78</b>	<b>752.16</b>	<b>441.76</b>
<b>Total Revenue from Operations</b>	<b>1,067.78</b>	<b>785.29</b>	<b>488.01</b>

**Note-1: Details of Product wise Turnover****(Rs. In lakhs)**

Particulars	31-03-2024	31-03-2023	31-03-2022
Manpower supply, placement and IT consultancy services	1,067.78	752.16	441.76
Revenue from software products	-	33.13	46.25
<b>Total of Revenue</b>	<b>1,067.78</b>	<b>785.29</b>	<b>488.01</b>

**Note-2: Details of Contribution from Customers**

Particulars	31-03-2024	31-03-2023	31-03-2022
Turnover from Top 10 largest Customers	547.03	244.99	417.67
<b>in % of Total Turnover</b>	<b>51.23%</b>	<b>31.20%</b>	<b>85.59%</b>
Turnover from Related Party	117.09	58.63	29.55
<b>in % of Total Turnover</b>	<b>10.97%</b>	<b>7.47%</b>	<b>6.06%</b>

**Note-3: Details of State-wise Turnover**

Particulars	31-03-2024	31-03-2023	31-03-2022
Maharashtra	8.93	16.84	25.84
Karnataka	407.74	166.96	171.53
Tamil Nadu	28.81	16.51	22.94
Telangana	20.69	0.37	2.63
Gujarat	51.47	31.93	-
Uttarkand	30.00	-	-
Delhi	2.25	-	-
Uttar Pradesh	7.17	-	-
<b>Total of Revenue</b>	<b>557.08</b>	<b>232.62</b>	<b>222.96</b>

**Note-4: Details of Country wise Turnover**

Particulars	31-03-2024	31-03-2023	31-03-2022
USA	420.15	447.66	180.71
United Kingdom	-	17.28	35.82
Germany	4.47	13.27	18.97
Australia	47.62	64.22	29.55
Malaysia	37.18	7.48	-
Sweden	1.29	2.77	-
<b>Total of Revenue</b>	<b>510.70</b>	<b>552.67</b>	<b>265.05</b>

**Note-5: Sectorwise Turnover**

Particulars	31-03-2024	31-03-2023	31-03-2022
Government	-	32.50	36.70
Private	1,067.78	752.79	451.31
<b>Total of Revenue</b>	<b>1,067.78</b>	<b>785.29</b>	<b>488.01</b>

**Note-6: Details of GST No wise Turnover**

Particulars	31-03-2024	31-03-2023	31-03-2022
Karnataka	1,067.78	785.29	488.01
<b>Total of Revenue</b>	<b>1,067.78</b>	<b>785.29</b>	<b>488.01</b>

**Restated Statement of Revenue from Other Income**Annexure –II.2  
(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Interest income	20.63	11.99	0.10
Interest on IT refund	-	1.88	0.71
Miscellaneous income	0.18	0.13	-
<b>Total</b>	<b>20.80</b>	<b>14.00</b>	<b>0.81</b>

**Restated Statement of Cost of Materials Consumed**Annexure –II.3  
(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Opening Stock of Raw Material</b>	-	-	-
Add: Purchase during the Years	-	-	-
Less: Closing Stock	-	-	-
<b>Cost of Material Consumed</b>	-	-	-

**Restated Statement of Purchase of Stock-In-Trade**Annexure –II.4  
(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
NA	-	-	-
<b>Total</b>	-	-	-

**Restated Statement of Change in Inventory**Annexure –II.5  
(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Opening Balance:</b>	-	-	-
NA	-	-	-
<b>Total Opening Balance</b>	-	-	-
<b>Closing Balance:</b>	-	-	-
NA	-	-	-
<b>Total Closing Balance</b>	-	-	-
<b>Net (Increase)/Decrease in Stocks</b>	-	-	-

**Restated Statement of Employees Benefit Expenses**Annexure –II.6  
(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Directors Remuneration	88.06	58.76	41.85
Salaries, Wages & Bonus	371.64	312.70	233.13
PF Contributions	7.57	6.25	7.38
Provision for Gratuity	18.39	7.69	11.68
Leave encashment	14.38	-	-
Staff welfare expenses	7.46	0.91	0.64
<b>Total</b>	<b>507.51</b>	<b>386.30</b>	<b>294.67</b>

## Annexure –II.7

(Rs. In lakhs)

## Restated Statement of Other Expenses

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Direct Manufacturing Expenses</b>			
NA	-	-	-
<b>Total of Direct Manufacturing Expenses</b>	-	-	-
<b>Administrative &amp; Other Expenses</b>			
Rent	27.00	16.39	4.47
Rates & taxes	0.62	2.04	1.04
Professional & consultancy charges	173.15	174.38	70.69
Web hosting charges	-	7.34	8.07
Travelling expenses	-	8.04	0.23
Insurance	27.60	12.31	4.85
Office expenses	-	-	5.35
Foreign exchange loss	3.82	1.41	1.29
Bad debts	0.89	9.25	3.77
Miscellaneous expenses <sup>^</sup>	23.25	8.61	2.60
<b>Total of Administrative &amp; Other Expenses</b>	<b>256.34</b>	<b>239.77</b>	<b>102.36</b>
<b>Total Other Expenses</b>	<b>256.34</b>	<b>239.77</b>	<b>102.36</b>

<sup>^</sup> Miscellaneous expenses include aggregate of various expenditure which are less than ₹1.00 Lakhs or 1% of operating turnover which ever is higher

## Annexure –II.8

(Rs. In lakhs)

## Restated Statement of Financial Charges

Particulars	31-03-2024	31-03-2023	31-03-2022
Interest On Secured Loan	3.30	9.67	10.33
Interest On Unsecured Loan	-	-	-
Interest on Income Tax	1.47	1.05	0.20
<b>Total</b>	<b>4.77</b>	<b>10.72</b>	<b>10.53</b>

## Annexure –II.9

(Rs. In lakhs)

## Restated Statement of Provision For Taxation

Particulars	31-03-2024	31-03-2023	31-03-2022
Current Tax	91.37	43.21	16.12
Deferred Tax	(8.93)	(13.71)	5.38



## ANNEXURE - VI

Statement of Accounting & Other Ratios, as per SEBI ICDR (₹ in Lakhs, except otherwise mentioned)

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Total Revenue from Operation (A)</b>	<b>1,067.78</b>	<b>785.29</b>	<b>488.01</b>
<b>Net Profit as Restated (B)</b>	<b>236.52</b>	<b>83.89</b>	<b>47.07</b>
Add: Depreciation	1.01	0.68	18.07
Add: Interest on Loan	3.30	9.67	10.33
Add: Income Tax	82.44	29.51	16.12
Less: Other Income	(20.80)	(14.00)	(0.81)
<b>EBITDA - Operating Profit (C)</b>	<b>302.46</b>	<b>109.75</b>	<b>90.77</b>
<b>EBITDA Margin (in %) (C/A)</b>	<b>28.33%</b>	<b>13.98%</b>	<b>18.60%</b>
<b>Net Worth as Restated (D)</b>	<b>513.81</b>	<b>297.29</b>	<b>213.40</b>
<b>Return on Net worth (in %) as Restated (B/D)</b>	<b>46.03%</b>	<b>28.22%</b>	<b>22.06%</b>
<b>Equity Share at the end of year/period (in Nos.) (E)</b>	<b>3,21,056</b>	<b>3,21,056</b>	<b>3,21,056</b>
- (As per end of Restated period)			
<b>Weighted No. of Equity Shares (F)</b>	<b>3,21,056</b>	<b>3,21,056</b>	<b>3,21,056</b>
<b>Equity Share at the end of year/period (in Nos.) (G)</b>	<b>28,89,504</b>	<b>28,89,504</b>	<b>28,89,504</b>
- (With Retrospective effect of Bonus Issued after restated period)			
<b>Basic &amp; Diluted Earnings per Equity Share (B/F)</b>	<b>73.67</b>	<b>26.13</b>	<b>14.66</b>
- (As per end of Restated period)			
<b>Basic &amp; Diluted Earnings per Equity Share (B/G)</b>	<b>8.19</b>	<b>2.90</b>	<b>1.63</b>
- (With Retrospective effect of Bonus Issued after restated period)			
<b>Net Asset Value per Equity share as Restated (D/E)</b>	<b>160.04</b>	<b>92.60</b>	<b>66.47</b>
- (As per end of Restated period)			
<b>Net Asset Value per Equity share (D/G)</b>	<b>17.78</b>	<b>10.29</b>	<b>7.39</b>
- (With Retrospective effect of Bonus Issued after restated period)			

**Notes on Ratio:- The ratio has been calculated as per below**

EBITDA Margin = EBITDA/Revenue from Operations
Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year
Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
Return on Net worth (%) = Restated Net Profit after Tax / Net worth
Net Worth = Equity Share Capital + Reserve and Surplus (including P&L surplus) - Revaluation Reserve, If any
Net asset value/Book value per share (₹) = Net worth / No. of equity shares outstanding at the end of FY
The Company does not have any revaluation reserves or extra-ordinary items.
The figures disclosed above are based on the Restated Financial Statements of the Company
<b>On 13-06-2024 i.e., after Restated Period, Company has allotted 25,68,448 Equity Shares as a Bonus Issue in the ratio of (8:1) i.e., Eight Equity Share for every One fully paid-up equity share held by existing shareholders of Face Value Rs. 10/- each, for which ratio has been calculated separately with retrospective effect as mentioned above</b>

**Statement of Other Accounting Ratios, as per Companies Act, 2013**

Particulars	31-03-2024	31-03-2023	31-03-2022
a) Current Ratio (in Times)	8.14	2.33	1.55
b) Debt-Equity Ratio (in Times)	0.04	0.20	0.59
c) Debt Service Coverage Ratio (in Times)	8.04	1.60	0.88
d) Return on Equity Ratio (in %)	46.03%	28.22%	22.06%
e) Inventory turnover ratio (in Times)	N/A	N/A	N/A
f) Trade Receivables turnover ratio (in Times)	4.98	6.10	6.03
g) Trade payables turnover ratio (in Times)	N/A	N/A	N/A
h) Net capital turnover ratio (in Times)	3.25	6.70	9.23
i) Net profit ratio (in %)	21.73%	10.50%	9.63%
j) Return on Capital employed (in %)	58.13%	37.65%	23.42%
k) Return on investment	N/A	N/A	N/A

**Notes on Calculation**

*Current Ratio = Total Current Assets / Total Current Liabilities*

*Debt Equity Ratio = Total Debts / Total Shareholders Fund*

*Debt Service Coverage Ratio = Earnings available for debt services / Debt Services*

*Return of Equity Ratio = Profit for the year / Total Shareholders Fund*

*Inventory Turnover Ratio = Revenue from operations / Average Inventory*

*Trade Receivables turnover ratio = Net Credit Sales / Average accounts receivables*

*Trade payables turnover ratio = Net Credit Purchase / Average accounts payable*

*Net capital turnover ratio = Revenue from operation / Average Working capital*

*Net profit ratio = Profit for the year / Total Income*

*Return on Capital employed = Profit before tax and finance cost / Capital employed*

*Return on investment = Income generated from invested fund / Average invested fund*

## ANNEXURE –VII

## Statement of Capitalization, As Restated

(Rs. In lakhs)

Particulars	Pre-Issue	Post Issue*
	31-03-2024	
<b>Debt :</b>		
Short Term Debt	21.63	21.63
Long Term Debt	-	-
<b>Total Debt</b>	<b>21.63</b>	<b>21.63</b>
<b>Shareholders Funds</b>		
Equity Share Capital	32.11	401.27
Reserves and Surplus	481.71	1,235.74
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>513.81</b>	<b>1,637.01</b>
<b>Long Term Debt/ Shareholders' Funds</b>	<b>-</b>	<b>-</b>
<b>Total Debt / Shareholders Fund</b>	<b>0.04</b>	<b>0.01</b>

\* Assuming Full Allotment of IPO shares (11,23,200 shares having Face Value of ₹10/- each at an Issue Price of @ ₹100/- each)

## ANNEXURE –VIII

## Statement of Tax Shelter, As Restated

(Rs. In lakhs, except otherwise mentioned)

Particulars	As At		
	31-03-2024	31-03-2023	31-03-2022
<b>Profit Before Tax as per books of accounts (A)</b>	<b>318.96</b>	<b>161.82</b>	<b>63.19</b>
-- Normal Tax rate	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	15.60%	15.60%	19.24%
<b>Permanent differences</b>			
Other adjustments	-	-	-
Prior Period Item			
Donation Disallowances	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Timing Differences</b>			
Depreciation as per Books of Accounts	1.01	0.68	18.07
Depreciation as per Income Tax	0.43	0.59	51.23
Difference between tax depreciation and book depreciation	0.59	0.09	(33.16)
Other adjustments	43.52	12.43	12.65
Foreign income included in the statement	-	-	-
<b>Total (C)</b>	<b>44.10</b>	<b>12.53</b>	<b>(20.51)</b>
<b>Net Adjustments (D = B+C)</b>	<b>44.10</b>	<b>12.53</b>	<b>(20.51)</b>
<b>Total Income (E = A+D)</b>	<b>363.06</b>	<b>174.35</b>	<b>42.67</b>
Brought forward losses set off (Depreciation)	-	-	-
Tax effect on the above (F)	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>363.06</b>	<b>174.35</b>	<b>42.67</b>
Tax Payable for the year	91.37	43.21	10.74
Tax payable as per MAT	56.64	27.20	8.21
Tax expense recognised	<b>91.37</b>	<b>43.21</b>	<b>10.74</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

## ANNEXURE –IX

**Statement of Related Parties & Transactions**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of the Related Parties	Relationship
Lakshminarayana Ullala	Director/KMP
Shankara A Chilkunda	Director/KMP
Ritu Shankara Chilkunda	Relatives of KMP
Shwetha Ullala	Relatives of KMP
Roopa Somanahalli	Relatives of KMP
Lanquill Edtech Private Limited	Company owned or significantly influenced by KMP
Netanalytiks Technologies Pty Ltd	Company owned or significantly influenced by KMP
Sentenia Educational Solution Pvt Ltd	Company owned or significantly influenced by KMP
Netanalytiks Technologies Inc	USA based Subsidiary Company

**Transactions with Related Parties:***(Rs. In lakhs)*

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Security deposit repaid</b>			
Sentenia Educational Solutions Pvt Ltd.	-	-	9.65
<b>Remuneration paid to Directors</b>			
Lakshminarayana Ullala	44.03	29.38	21.22
Shankara A Chilkunda	44.03	29.38	20.63
<b>Total</b>	<b>88.06</b>	<b>58.76</b>	<b>41.85</b>
<b>Consultancy fees to Relatives of KMP</b>			
Ritu Shankara Chilkunda	1.89	-	-
Shwetha Ullala	-	16.59	9.00
Roopa Somanahalli	-	19.69	9.00
<b>Total</b>	<b>1.89</b>	<b>36.27</b>	<b>18.00</b>
<b>Sale with related parties</b>			
Netanalytiks Technologies Pty Ltd	47.62	53.38	29.55
Netanalytiks Technologies Inc	32.02	-	-
Lanquill Edtech Private limited	37.45	5.25	-
<b>Total</b>	<b>117.09</b>	<b>58.63</b>	<b>29.55</b>
<b>Reimbursement of expenses</b>			
Lakshminarayana Ullala	5.81	7.91	0.19
Shankara A Chilkunda	0.29	4.39	-
<b>Interest on Business Consideration receivable</b>			
Lanquill Edtech Private limited	19.20	11.99	-
<b>Business assets transferred</b>			
Lanquill Edtech Private limited	-	231.49	-
<b>Business liabilities transferred</b>			
Lanquill Edtech Private limited	-	21.49	-
<b>Investment in foreign subsidiary</b>			
Netanalytiks Technologies Inc	0.43	-	-

<b>Unsecured Loans Received</b>			
Lakshminarayana Ullala	-	9.83	14.00
Shankara A Chilkunda	-	90.00	66.00
<b>Unsecured Loans Paid</b>			
Lakshminarayana Ullala	-	10.00	51.01
Shankara A Chilkunda	-	120.37	79.50
<b>Total</b>			
<b>Closing Balance of Related Parties</b>			
Lakshminarayana Ullala salary(Dr/(Cr))	5.00	(1.12)	(2.03)
Shankara A Chilkunda salary(Dr/(Cr))	-	(3.06)	(1.64)
Lakshminarayana Ullala loan(Dr/(Cr))			(0.17)
Shankara A Chilkunda loan(Dr/(Cr))			(48.19)
Lanquill Edtech Private limited (Dr)	233.62	177.74	-
Lanquill Edtech Private limited (Cr)	-	(36.73)	-
NetAnalytikis Technologies Pty Ltd(Dr)	48.38	4.64	-
NetAnalytikis Technologies Inc- unbilled revenue (Dr)	32.02	-	-
NetAnalytikis Technologies Inc- Investment (Dr)	0.43	-	-
NetAnalytikis Technologies Inc- (Cr)	(0.43)	-	-

## ANNEXURE –X

## Statement of Dividends

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Dividend paid till date	20.00	N/A	N/A

## ANNEXURE –XI

## Statement of Contingent Liabilities &amp; Commitment:

(Rs. In lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
<b>Contingent Liabilities</b>			
Claims against the company not acknowledged as debt	-	-	-
Corporate Guarantees Given	-	-	-
Bank Guarantees Given	-	-	-
Other money for which the company is contingently liable	-	-	-
<b>Commitments</b>			
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
Other commitments (specify nature).	-	-	-



## 7. Material Adjustments

### In Profit and Loss Account

Particulars	For the Period/FY ended		
	31-03-2024	31-03-2023	31-03-2022
<b>Profit After Tax as per Audited Books of Accounts</b>	<b>236.52</b>	<b>83.89</b>	<b>47.07</b>
Adjustment for provision of Depreciation	-	-	-
Adjustment for provision of Income Tax	-	-	-
Adjustment for provision of Deferred Tax	-	-	-
<b>Profit After Tax as per Restated</b>	<b>236.52</b>	<b>83.89</b>	<b>47.07</b>

The impact of the above has been suitably incorporated in the restated balance sheet.

### Material Regrouping

Particulars	For the Period/FY ended		
	31-03-2024	31-03-2023	31-03-2022
<b>Reserve &amp; Surplus as per Audited Books of Accounts</b>	<b>513.82</b>	<b>297.29</b>	<b>213.40</b>
Adjustment in Profit & Loss Accounts	-	-	-
Adjustment in opening Balance	-	-	-
<b>Reserve &amp; Surplus as per Restated</b>	<b>513.81</b>	<b>297.29</b>	<b>213.40</b>

## FINANCIAL INDEBTEDNESS

Based on the independent examination of Books of Accounts, Audited/Restated Financial Statements and other documents of the issuer Company **Netanalytik Technologies 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 financial indebtedness of the company as at **31<sup>st</sup> March, 2024** are as mentioned below:

*(Rs. In Lakhs)*

Nature of Borrowing	Outstanding as on March 31, 2024
A. Secured Loan	15.65
B. Unsecured Loan	5.97
<b>Total</b>	<b>21.63</b>

### A. Secured Loans

*(Rs. In Lakhs)*

Name of Lender	Date of Sanction	Purpose	Repayment Terms	Rate of Interest	Sanctioned Amount	Outstanding as on 31/03/2024
HDFC Bank-OD	04-05-2018	Working capital finance	On demand	11.59% p.a	40.00	14.59
HDFC Bank-ECLGS	25-06-2020	Business loan	49 Months Tenor	9.25% p.a	10.57	1.06
<b>Total of Secured Loan</b>						<b>15.65</b>

### Details Terms of Secured Loan:

#### Security offered as per current sanction letter dated 22/04/2024:

#### 1. HDFC Bank-OD

Primary Security	:	50% on book debt, stock, plant and machinery
Collateral Security	:	Personal Guarantee On Record As Per Standard Process, CGTMSE Guarantee
Other Security	:	Nil
Personal Guarantee	:	Shankara Anantharamaiah Chilkunda, Lakshminarayana Ullala
Rate of interest	:	11.59% p.a. (Floating rate i.e Reference rate+spread)
Corporate Guarantee	:	Nil
Major Covenants, if any	:	Nil
Any Non-compliance of sanctioned terms	:	Nil.

**2. HDFC Bank-ECLGS:**

Primary Security	:	50% on book debt, stock, plant and machinery
Collateral Security	:	Personal Guarantee On Record As Per Standard Process, CGTMSE Guarantee
Other Security	:	Nil
Personal Guarantee	:	Shankara Anantharamaiah Chilkunda, Lakshminarayana Ullala
Rate of interest	:	9.25% p.a.
Corporate Guarantee	:	Nil
Major Covenants, if any	:	Nil
Any Non-compliance of sanctioned terms	:	Nil.

**B. Unsecured Loans:**

					<i>(Rs. In Lakhs)</i>
No	Name of Lender	Purpose	Re-payment Terms	ROI	Outstanding as on March 31, 2024
1	Bajaj Finance Limited	Business Loan	36 Months Tenor	16.5% p.a.	5.97
<b>Total of Unsecured Loan</b>					<b>5.97</b>

For **Vishnu Daya & Co LLP**  
Chartered Accountants  
Firm Registration Number: 008456S/S200092

Sd/-

**CA Hariprasad P**  
Designation: Designated Partner  
Membership Number: 219987  
Place: Bengaluru  
Date: 10/09/2024  
**UDIN: 24219987BKBLSM9013**

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the financial year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this Draft prospectus. You should also see the section titled “**Risk Factors**” beginning on page 21 of this Draft prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated September 10, 2024 which is included in this Draft prospectus under the section titled “**Financial Information as Restated**” beginning on page 169 of this Draft prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “**Risk Factors**” and “**Forward Looking Statements**” beginning on pages 21 and 15 respectively, and elsewhere in this draft prospectus*

*Accordingly, the degree to which the financial statements in this draft prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled “**Certain Conventions, Use of Financial, Industry and Market Data and Currency Presentation**” beginning on page 13 of this draft prospectus.*

### **BUSINESS OVERVIEW**

Our Company was originally incorporated as a Private Limited Company in the name of “**Netanalytiks Technologies Private Limited**” on January 12, 2015 under the provisions of the Companies Act, 2013 bearing Corporate Identification Number U74900KA2015PTC078233 issued by the Registrar of Companies - Bangalore. Subsequently, our company was converted into Public Limited Company under the provisions of the Companies Act, 2013 and the name of our Company was changed to “**Netanalytiks Technologies Limited**” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated August 08, 2024 bearing Corporate Identification Number U74900KA2015PLC078233 issued by the Registrar of Companies - Bangalore.

Our Company, Netanalytiks Technologies Limited, is engaged in the business of providing Information Technology (IT) Solutions to both public and private organizations mainly in Information Technology (IT) Sector. Since its incorporation, the company has been actively involved in delivering a wide range of IT services across diverse roles and responsibilities. NetAnalytiks caters to the specific needs of clients within the IT sector by offering tailored services that ensure high performance, efficiency, and compliance with industry standards.

Our service portfolio can be broadly classified in 3 (three) main categories i.e. (1) IT Consultancy Services; (2) Placement Services; and (3) Business Support Services. Our company is an ISO 9001:2015 and ISO 27001:2013 certified company for providing IT Consulting and Delivery Services, IT Recruitment and Staffing Services, Corporate Training Services and IT Product Development Services which highlight the company's commitment to quality, security, and excellence in the delivery of its services.

Presently, our IT Consultancy Services, Placement Services and Business Support Services account for a majority of our revenues. The revenue contribution is tabulated below:

Source of Revenue	March 31, 2024		March 31, 2023		March 31, 2022	
	Revenue (₹ in lakhs)	% of Total Revenue	Revenue (₹ in lakhs)	% of Total Revenue	Revenue (₹ in lakhs)	% of Total Revenue
IT Consultancy Services, Placement Services and Business Support Services	1,067.78	100.00%	752.16	95.78%	441.76	90.52%
Sale of Software Products	-	-	33.13	4.22%	46.24	9.48%
<b>Total</b>	<b>1,067.78</b>	<b>100.00%</b>	<b>785.29</b>	<b>100.00%</b>	<b>488.00</b>	<b>100.00%</b>

Our company has shown consistent growth in both revenue and profitability over the three years. The increasing Profit also suggests the company has managed costs efficiently or benefited from higher margins, possibly due to better market conditions or improved internal processes. For the financial period ended March 31, 2024, March 31, 2023 and March 31, 2022, our revenues from operations were ₹ 1,067.78 lakhs, ₹ 785.29 lakhs and ₹ 488.81 lakhs respectively. Our Profit after Tax for the similar period mentioned above were ₹ 236.52 lakhs, ₹ 83.89 lakhs and ₹ 47.07 lakhs respectively.

Our company is promoted and managed by Mr. Shankara Anantharamaiah Chilkunda and Mr. Lakshminarayana Ullala, who together bring over 20 years of extensive experience in our industry. Their leadership, marked by deep expertise and a clear vision, has been instrumental in steering the company's growth and success. In addition to their leadership, we are guided by a highly skilled and experienced management team. This team, comprising individuals with strong professional backgrounds and significant industry knowledge, has consistently demonstrated its capability in effectively managing day-to-day operations, driving growth initiatives, and achieving strategic business goals. We believe that their collective efforts, along with a proven track record of acquiring and successfully integrating new business opportunities, position us well for continued expansion and sustained success in our field. For further details, please see *“Our Management”* beginning of Page 146 of Draft Prospectus.

#### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e. March 31, 2024 as disclosed in this draft prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have decided to get their equity shares listed on SME Platform of BSE Limited and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on August 09, 2024 proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on August 12, 2024 authorized the Initial Public Offer.
3. Our Company has allotted 25,68,448 Equity Shares as Bonus Share in the ratio of 8:1 i.e. Eight Equity Shares for every One fully paid-up equity share on June 13, 2024.

#### KEY FACTORS AFFECTING OUR RESULTS OF OPERATION

1. Covid-19 pandemic.
2. Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
3. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
4. Our ability to retain and hire key employees or maintain good relations with our workforce;
5. Impact of any reduction in sales of our services/products;
6. Rapid Technological advancement and inability to keep pace with the change;
7. Increased competition in industries/sector in which we operate;
8. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
9. Changes in laws and regulations relating to the Sectors in which we operate;
10. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
11. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
12. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
13. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

**SIGNIFICANT ACCOUNTING POLICIES:**

Our significant accounting policies are described in the section entitled “*Financial Statements as Restated*” beginning from page no. 169 of the draft prospectus.

**FINANCIAL KPIs OF THE COMPANY:**

₹ in lakhs except percentage and ratios

Particulars	31-03-2024	31-03-2023	31-03-2022
Total Income	1,088.58	799.29	488.82
Growth (%)	36%	64%	126%
Revenue from Operation	1,067.78	785.29	488.01
EBITDA (Operating Profit)	302.46	109.75	90.77
EBITDA Margin (%)	28.33%	13.98%	18.60%
PAT	236.52	83.89	47.07
Growth (%)	182%	78%	216%
PAT Margin (%)	21.73%	10.50%	9.63%
EPS (Basic & Diluted) - (As per end of Restated period)	73.67	26.13	14.66
EPS (Basic & Diluted) - (Post Bonus with retrospective effect)	8.19	2.90	1.63
Total Borrowings	21.63	58.51	126.31
Total Net Worth (TNW)	513.81	297.29	213.40
ROCE (%)	58.13%	37.65%	23.42%
RONW (%)	46.03%	28.22%	22.06%
Debt Equity Ratio (Total Borrowing/TNW)	0.04	0.20	0.59

As certified by M/s. Vishnu Daya & Co LLP, Chartered Accountant the statutory auditors of our Company pursuant to their certificate dated September 30, 2024.

**SUMMARY OF THE RESULTS OF OPERATION:**

The following table sets forth select financial data from restated profit and loss accounts for the financial years ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 and the components of which are also expressed as a percentage of total income for such periods.

₹ in lakhs

Particulars	For the period ended					
	31-03-2024	% of Total Turnover	31-03-2023	% of Total Turnover	31-03-2022	% of Total Turnover
<b>Income</b>						
Revenue from Operations	1,067.78	98.09%	785.29	98.25%	488.01	99.83%
Other Income	20.80	1.91%	14.00	1.75%	0.81	0.17%
<b>Total Income</b>	<b>1,088.58</b>	<b>100.00%</b>	<b>799.29</b>	<b>100.00%</b>	<b>488.82</b>	<b>100.00%</b>
<b>Expenditure</b>						
Cost of Material Consumed	-	0.00%	-	0.00%	-	0.00%
Purchase of Stock-in-Trade	-	0.00%	-	0.00%	-	0.00%
Change in Inventories	-	0.00%	-	0.00%	-	0.00%
Employee Benefit Expenses	507.51	46.62%	386.30	48.33%	294.67	60.28%
Other Expenses	256.34	23.55%	239.77	30.00%	102.36	20.94%
<b>Total Expenses</b>	<b>763.85</b>	<b>70.17%</b>	<b>626.07</b>	<b>78.33%</b>	<b>397.04</b>	<b>81.22%</b>
<b>Profit Before Interest, Depreciation and Tax</b>	<b>324.74</b>	<b>29.83%</b>	<b>173.22</b>	<b>21.67%</b>	<b>91.78</b>	<b>18.78%</b>
Depreciation & Amortisation Expenses	1.01	0.09%	0.68	0.09%	18.07	3.70%
<b>Profit Before Interest and Tax</b>	<b>323.73</b>	<b>29.74%</b>	<b>172.54</b>	<b>21.59%</b>	<b>73.71</b>	<b>15.08%</b>
Financial Charges	4.77	0.44%	10.72	1.34%	10.53	2.15%
<b>Profit before Taxation</b>	<b>318.96</b>	<b>29.30%</b>	<b>161.82</b>	<b>20.25%</b>	<b>63.19</b>	<b>12.93%</b>
Provision for Taxation	91.37	8.39%	43.21	5.41%	10.74	2.20%
Provision for Deferred Tax	(8.93)	-0.82%	(13.71)	-1.71%	5.38	1.10%
<b>Total</b>	<b>82.44</b>	<b>7.57%</b>	<b>29.51</b>	<b>3.69%</b>	<b>16.12</b>	<b>3.30%</b>
<b>Profit After Tax but Before Extra-ordinary Items</b>	<b>236.52</b>	<b>21.73%</b>	<b>132.31</b>	<b>16.55%</b>	<b>47.07</b>	<b>9.63%</b>
Extraordinary Items	-	-	(48.42)	-6.06%	-	-
Profit Attributable to Minority Shareholders	-	-	-	-	-	-
<b>Net Profit after adjustments</b>	<b>236.52</b>	<b>21.73%</b>	<b>83.89</b>	<b>10.50%</b>	<b>47.07</b>	<b>9.63%</b>
<b>Net Profit Transferred to Balance Sheet</b>	<b>236.52</b>	<b>21.73%</b>	<b>83.89</b>	<b>10.50%</b>	<b>47.07</b>	<b>9.63%</b>



Our focus on functional and operational excellence has contributed to our track record of robust financial performance. In the Fiscal 2024, Fiscal 2023 and Fiscal 2022, we generated total income of ₹ 1,088.59 Lakhs, ₹ 799.29 Lakhs and ₹ 488.82 Lakhs respectively, EBITDA (operating profit) of ₹ 302.46 Lakhs, ₹ 109.75 Lakhs and ₹ 90.77 Lakhs respectively and net profit after tax of ₹ 236.52 Lakhs, ₹ 83.89 lakhs and ₹ 47.07 Lakhs respectively. We have reported Return on Net Worth of 46.03%, 28.22% and 22.06% for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Our steady operating cash flows enable us to meet the present and future needs of our customers while our strong financial performance in still confidence in us.

The Revenue from operations has been increased from ₹ 488.01 Lakhs in FY 2021-22 to ₹ 1,067.78 Lakhs in FY 2023-24 i.e. revenue from operation increased by ₹ 579.76 Lakhs (118.80 % for the said period) and PAT increased from ₹ 47.07 lakhs (9.63% of total revenue) to ₹ 236.52 lakhs (21.73% of total revenue) as per restated financial statements for the said period primarily due to increase in revenue from operations and combined efforts taken by company to reduce their cost, which is discussed further in details in this chapter. The reason for increase in revenue/profit after tax from operation was mainly due to increase in demand of our products from our customers and the major focus for our company has been on further improving the profitability of the company by optimizing the customer base, improving customer relations, marketing and payment cycles.

**Our product/service wise revenue was increased YOY as per details mentioned below:**

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
IT Consultancy Services, Placement Services and Business Support Services	1,067.78	752.16	441.76
Revenue from software products	-	33.13	46.24
<b>Total of Revenue</b>	<b>1,067.78</b>	<b>785.29</b>	<b>488.00</b>

**Details of State-wise sales are as follows:**

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Maharashtra	8.93	16.84	25.84
Karnataka	407.74	166.96	171.53
Tamil Nadu	28.81	16.51	22.94
Telangana	20.69	0.37	2.63
Gujarat	51.47	31.93	-
Uttarakhand	30.00	-	-
Delhi	2.25	-	-
Uttar Pradesh	7.17	-	-
<b>Total of Revenue</b>	<b>557.08</b>	<b>232.62</b>	<b>222.95</b>

**Details of Country-wise sales are as follows:**

Particulars	31-03-2024	31-03-2023	31-03-2022
United States of America	420.15	446.20	180.71
United Kingdom	-	17.28	35.82
Germany	4.47	13.27	18.97
Australia	47.62	65.68	29.55
Malaysia	37.18	7.48	-
Sweden	1.29	2.77	-
<b>Total of Revenue</b>	<b>510.70</b>	<b>552.67</b>	<b>265.05</b>

## **MAIN COMPONENTS OF PROFIT AND LOSS ACCOUNT**

### **Total Income**

Our total income comprises of Revenue from Operations and Other Income.

### ***Revenue from Operations***

Our revenue from operations consists of income generated from service activities, specifically through our IT Consultancy Services, Placement Services and Business Support Services in both domestic and international markets.

### ***Other Income***

Our other income comprises of Interest Income, Interest on IT Refund and Miscellaneous Income.

### **Expenditure**

Our total expenditure primarily consists of Employee Benefit Expenses, Other Expenses, Depreciation & Amortisation Expenses and Financial Charges.

### ***Employee Benefit Expenses***

Employee benefit expenses comprise of Directors Remuneration, Salaries, Wages & Bonus, PF Contributions, Provisions for Gratuity, Leave Encashment, Staff Welfare Expenses.

### ***Other Expenses***

Other expenses comprise of Rent, Rates & taxes, Professional & consultancy charges, Web hosting charges, Travelling expenses, Insurance, Office expenses, Foreign exchange loss, Bad debts, Miscellaneous expenses

### ***Depreciation and Amortization Expenses***

Depreciation and Amortization Expenses comprises of depreciation on the Tangible/Intangible assets of our company.

### ***Financial Charges***

Financial Charges comprises of Interest on Secured Loan and Interest on Income Tax.

### ***Extra-Ordinary Item***

Extra-Ordinary Item comprise of loss of transfer of software business.

### ***Provision for Taxation***

The provision for current tax is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## **COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2024 WITH FISCAL 2023**

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### **Total Revenue:**

The total revenue consisting of revenue from operation and other income, has increased to ₹ 1088.58 lakhs in FY 2023-24 from ₹ 799.29 lakhs in FY 2022-23 i.e. total revenue increased by ₹ 289.30 Lakhs (36.19% for the said period) primarily due to increase in domestic revenue from operations of the Company.

**Revenue from Operations:**

The revenue from operations i.e. revenue from service activities has increased to ₹ 1067.78 lakhs (98.09% of the Total revenue) in FY 2023-24 from ₹ 785.29 lakhs (98.25% of the Total revenue) in FY 2022-23 i.e. revenue from operation increased by ₹ 282.49 lakhs (35.97% for the said period). The domestic sales have increased to ₹ 557.08 in FY 2023-24 from ₹ 199.49 lakhs in FY 2022-23 i.e. domestic sales have increased by ₹ 357.58 lakhs (179.25% for the said period) and the export sales have decreased to ₹ 510.70 in FY 2023-24 from ₹ 552.67 lakhs in FY 2022-23 i.e. export sales have decreased by ₹ 41.96 lakhs (7.59% for the said period).

**Other Income:**

The other income of the company for FY 2023-24 increased to ₹ 20.80 Lakhs as against ₹ 14.00 Lakhs in the FY 2022-23 i.e. Other Income increased by ₹ 6.80 Lakhs (48.59% for the said period). This increase was mainly due to increase in interest income.

**Total Expenses**

The total expenses (excluding Depreciation & Amortization Expenses, Financial Charges and provision for tax) for the FY 2023-24 was increased to ₹ 763.85 Lacs (70.17% of total revenue) as against ₹ 626.04 Lacs (78.33% of total revenue) in the FY 2022-23 i.e., total expenses increased by ₹ 137.78 lakhs (22.01% for the said period). This increase was primarily due to increase in Employee Benefit Expenses.

**Employee Benefit Expenses:**

The Employee Benefit Expenses for the FY 2023-24 was increased to ₹ 507.51 Lakhs as against ₹ 386.30 Lakhs in the FY 2022-23 i.e., employee benefit expenses increased by ₹ 121.21 lakhs (31.38% for the said period). This increase was mainly due to increase in Directors Remuneration and Salaries paid during the fiscal year.

**Other Expenses:**

The Other Expenses for the FY 2023-24 was increased to ₹ 256.34 Lakhs as against ₹ 239.77 Lakhs in the FY 2022-23 i.e., other expenses increased by ₹ 16.57 lakhs (6.91% for the said period). This increase was mainly due to increase in Rent and Insurance.

**Depreciation and Amortisation Expenses:**

The Depreciation and Amortisation expenses for FY 2023-24 was increased to ₹ 1.01 Lakhs as against ₹ 0.68 Lakhs in the FY 2022-23 i.e., depreciation increased by ₹ 0.33 lakhs (48.68% for the said period). This increase was a normal increase in depreciation amount as there were no capital expenditure during the fiscal year.

**Financial Charges:**

The Financial Charges for the FY 2023-24 was decreased to ₹ 4.77 Lakhs as against ₹ 10.72 Lakhs in the FY 2022-23 i.e., financial charges decreased by ₹ 5.95 lakhs (55.50% for the said period). This decrease was mainly due to decrease in interest on secured loan.

**Profit/ (Loss) Before Tax:**

The restated Profit before Tax for FY 2023-24 was increased to ₹ 318.96 Lakhs (29.30% of total income) as against ₹ 161.82 Lakhs (20.25% of total income) in the FY 2022-23 i.e., profit before tax increased by ₹ 157.14 lakhs (97.11% for the said period). As a combined effort of all revenues and expenses together as discussed above, the profit before tax has been increased.

**Total Tax Expenses:**

The total tax expense for FY 2023-24 was increased to ₹ 82.44 Lakhs as against ₹ 29.51 Lakhs in the FY 2022-23. This increase was mainly due to increase in Profit before Tax as mentioned above.

**Profit/ (Loss) After Tax:**

The restated Profit after Tax for FY 2023-24 has increased to ₹ 236.52 Lakhs as against ₹ 83.89 Lakhs in the FY 2022-23. This increase was mainly due to increase in Profit before Tax as mentioned above.

## COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2023 WITH FISCAL 2022

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### Total Revenue:

The total revenue consist of revenue from operation and other income has increased to ₹ 799.29 lakhs in FY 2022-23 from ₹ 488.82 lakhs in FY 2021-22 i.e. total revenue increased by ₹ 310.46 Lakhs (63.51% for the said period) primarily due to increase in revenue from operations of the Company.

### Revenue from Operations:

The revenue from operations i.e. revenue from service activities has increased to ₹ 785.29 lakhs (98.25% of the Total revenue) in FY 2022-23 from ₹ 488.01 lakhs (99.83% of the Total revenue) in FY 2021-22 i.e. revenue from operation increased by ₹ 297.27 lakhs (60.91% for the said period). The export sales have increased to ₹ 552.67 lakhs in FY 2022-23 as compared to ₹ 265.05 lakhs in FY 2021-22 i.e. export sales have increased by ₹ 287.61 lakhs (108.51% for the said period) and the domestic sales have increased to ₹ 199.49 lakhs in FY 2022-23 as compared to ₹ 176.71 lakhs in FY 2021-22 i.e. domestic sales have increased by ₹ 22.78 lakhs (12.89% for the said period).

### Other Income:

The other income of the company for FY 2022-23 increased to ₹ 14.00 Lakhs as against ₹ 0.81 Lakhs in the FY 2021-22 i.e. Other Income increased by ₹ 13.19 Lakhs (1628.29% for the said period). This increase was mainly due to increase in interest income.

### Total Expenses

The total expenses (excluding Depreciation & Amortization Expenses, Financial Charges and provision for tax) for the FY 2023-24 were increased to ₹ 626.07 Lacs (78.33% of total revenue) as against ₹ 397.04 Lacs (81.22% of total revenue) in the FY 2021-22 i.e., total expenses increased by ₹ 229.03 lakhs (57.68% for the said period). This increase was primarily due to Salaries and Professional & Consultancy Charges, all resulting from the increase in operational volume during the fiscal year, as outlined in the revenue from operations above.

### Employee Benefit Expenses:

The Employee Benefit Expenses for the FY 2022-23 was increased to ₹ 386.30 Lakhs as compared to ₹ 294.67 Lakhs in the FY 2021-22 i.e., employee benefit expenses increased by ₹ 91.63 lakhs (31.09% for the said period). This increase was mainly due to increase in Salaries paid during the fiscal year.

### Other Expenses:

The Other Expenses for the FY 2022-23 was increased to ₹ 239.77 Lakhs as against ₹ 102.36 Lakhs in the FY 2021-22 i.e., other expenses increased by ₹ 137.40 lakhs (134.23% for the said period). This increase was mainly due to increase in Professional and Consultancy Charges during the FY.

### Depreciation and Amortisation Expenses:

The Depreciation and Amortisation expenses for FY 2022-23 was decreased to ₹ 0.68 Lakhs from ₹ 18.07 Lakhs in the FY 2021-22 i.e., depreciation decreased by ₹ 17.39 lakhs (96.24% for the said period). This decrease was mainly due to sale of Intangible Asset during the fiscal year.

### Financial Charges:

The Financial Charges for the FY 2022-23 was increased to ₹ 10.72 Lakhs as against ₹ 10.53 Lakhs in the FY 2021-22 i.e., financial charges increased by ₹ 0.19 lakhs (1.85% for the said period). This increase was mainly due to increase in interest on income tax.

### Profit/ (Loss) Before Tax:

The restated Profit before Tax for FY 2022-23 was increased to ₹ 161.82 Lakhs (20.25% of total income) from ₹ 63.19 Lakhs (12.93% of total income) in the FY 2021-22 i.e., profit before tax increased by ₹ 98.63 lakhs (156.10% for the said period). As a combined effort of all revenues and expenses together as discussed above, the profit before tax has been increased.

**Total Tax Expenses:**

The total tax expense for FY 2022-23 was increased to ₹ 29.51 Lakhs from ₹ 16.12 Lakhs in the FY 2021-22. This increase was mainly due to increase in Profit before Tax as mentioned above.

**Profit/ (Loss) After Tax:**

The restated Profit after Tax for FY 2022-23 was increased to ₹ 83.89 Lakhs from ₹ 47.07 Lakhs in the FY 2021-22. This increase was mainly due to increase in Profit before Tax as mentioned above.

**AN ANALYSIS OF REASONS FOR THE CHANGES IN SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE IS GIVEN HEREUNDER:**


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**1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**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. However, Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact 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 21 in the draft prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Expected Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by demand/supply situation, Government Policies and Taxation and Currency fluctuations.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices**

Changes in revenue in the last financial years are as explained in the part “Comparison of the Financial Performance” of above.

**6. Total turnover of each major industry segment in which our Company operates**

The Company is mainly engaged in providing manpower services. Therefore, there are no separate reportable segments.

**7. Status of any publicly announced New Products or Business Segment**

Our Company has not announced any new product other than disclosed in this draft prospectus.

**8. Seasonality of business**

Our business is not seasonal in nature.

**9. Competitive conditions**

Competitive conditions are as described under the Chapters “*Industry Overview*” and “*Our Business*” beginning on page 87 and 119 respectively of the draft prospectus.

**10. Details of material developments after the date of last balance sheet i.e., March 31, 2024**

Except as mentioned in this draft prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the draft prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

## SECTION X: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory and/or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Promoters in the last 5 (five) FYs including outstanding action; (iv) outstanding claims related to direct or indirect taxes; (v) other pending litigation as determined to be material by our Board as per the materiality policy adopted by our Board (“Materiality Policy”) in each case involving our Company, Promoters, Directors (“Relevant Parties”); or (vi) all litigations involving our Group Companies which have a material impact on the business operations, prospects or reputation of our Company.*

*For the period ended March 31, 2024, our total income for the year as per the Restated Financial Statements is ₹ 1088.58 lakhs. Accordingly, the following types of litigation involving the Relevant Parties have been considered material, and accordingly disclosed, as applicable:*

- a) pending civil cases involving the Relevant Parties where the claim/ dispute amount, to the extent quantifiable, exceeds 5% of turnover as per the Restated Financial Information for the period ended March 31, 2024 i.e., 54.43 lakhs, or 10% of profit or loss after tax, as per the Restated Financial Statements of our Company for the period ended March 31, 2024 i.e., ₹ 23.65 lakhs, whichever is lower, or*
- b) where monetary liability is not quantifiable or does not exceed the threshold mentioned in point (i) above, the outcome of any such pending proceedings may have a material bearing on the business, operations, or*
- c) where the monetary liability in the pending civil litigations is not quantifiable or doesn't meet the monetary threshold as provided in (i) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of the Company,*

*It is clarified that pre-litigation notices received by the Relevant Parties (excluding those notices issued by statutory/regulatory/tax authorities), unless otherwise decided by the Board, shall not be evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in the litigation proceedings before any judicial forum.*

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹ 0.70 lakhs, which is 5% of the total trade payables as on the date of the latest Restated Financial Statements included in this Draft Prospectus, shall be considered as ‘material’. Accordingly, as on March 31, 2024, any outstanding dues exceeding ₹ 0.70 lakhs have been considered as material outstanding dues for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise (“MSME”), the disclosure will be based on information available with the Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.*

#### **I. LITIGATION INVOLVING OUR COMPANY**

##### **(a) Criminal proceedings against the Company**

There are no outstanding criminal proceedings initiated against the Company.

##### **(b) Criminal proceedings filed by the Company**

There are no outstanding criminal proceedings filed by the Company.

##### **(c) Actions by statutory and regulatory authorities against the Company**

There are no outstanding actions by statutory or regulatory authorities initiated against the Company.



**(d) Tax Proceedings:**

**(i) Direct Tax:**

There are no outstanding actions by Direct Tax authorities initiated against the Company.

**(ii) Indirect Tax:**

There are no outstanding actions by Indirect Tax authorities initiated against the Company.

**(e) Other pending material litigations against the Company**

There are no other outstanding litigations initiated against the Company.

**(f) Other pending material litigations filed by the Company**

There are no other outstanding litigations filed by the Company.

**II. LITIGATION INVOLVING OUR PROMOTERS AND DIRECTORS OF THE COMPANY**

**b. Criminal proceedings against the Promoters and Directors**

There are no outstanding criminal proceedings initiated against the Promoters and Directors.

**c. Criminal proceedings filed by the Promoters and Directors**

There are no outstanding criminal proceedings initiated by the Promoters and Directors.

**d. Actions by statutory and regulatory authorities against the Promoters & Directors Of the company**

There are no outstanding actions by statutory or regulatory authorities initiated against the Promoters & Directors.

**e. Tax Proceedings: Proceedings against the Promoters & Directors.**

**Direct Tax:**

There are no outstanding actions by Direct Tax authorities initiated against the Promoters & Directors.

**Indirect Tax:**

There are no outstanding actions by Indirect Tax authorities initiated against the Promoters & Directors.

**f. Other pending material litigations against the Promoters & Directors of the company**

There are no outstanding litigations initiated against the Promoters and Directors.

**g. Other pending material litigations filed by the Promoters & Directors of the company**

There are no outstanding litigations initiated by the Promoters and Directors.

## **OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors outstanding amount as on March 31, 2024:

<b>Name</b>	<b>No. of Creditors</b>	<b>Balance as on March 31, 2024 (₹ in lakhs)</b>
Total Outstanding dues to Micro and Small & Medium Enterprises (MSME)*	Nil	Nil
Total Outstanding dues to Creditors other than MSME#	4	13.92

\* *The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplier under the Micro, Small and Medium Enterprises Development Act, 2006 and as per restated financial statements*

### **Outstanding Litigations involving the Company or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.**

Except as described above, as on date of this draft prospectus, there are no outstanding litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

### **There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years.**

### **Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

### **Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous Companies enactment in the last 5 years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous Companies enactment since incorporation against our Company.

### **Material Fraud against our Company in the last five years**

There has been no material fraud committed against our Company since incorporation.

### **Fines imposed or compounding of offences for default**

There are no fines imposed or compounding of offences for default or outstanding defaults.

### **Non-Payment of Statutory Dues**

Except as disclosed in the chapter titled "*Financial Statements as Restated*" beginning on pages 169 there are have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

### **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 202 of this draft 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. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority, or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### I. Approvals for the Issue

- a) The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on August 09, 2024 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on August 12, 2024 authorized the Issue.
- c) Our Company has received an in-principle approval from the BSE dated [●] for listing of Equity Shares issued pursuant to the Issue.
- d) Our Company's ISIN is "INE08AG01019".

### II. Approvals pertaining to Incorporation of our Company

Name of Registration	Registration/License No	Applicable Law	Issuing Authority	Date of Issue	Validity
Certificate of Incorporation of "Netanalytik Technologies Private Limited"	U74900KA2015PTC078233	Companies Act, 2013	Registrar of Companies, Bangalore	January 12, 2015	Till Cancelled
Certificate of Incorporation consequent upon conversion from Private Limited to Public Company from "Netanalytik Technologies Private Limited" to "Netanalytik Technologies Limited"	U74900KA2015PLC078233	Companies Act, 2013	Registrar of Companies, Central Processing Centre	August 08, 2024	Till Cancelled

### III. Business Related Approvals

Sl. No	Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
1	Registration under Employees State Insurance Corporation	53000414790001000	Employees' State Insurance Act, 1948	Ministry of Labour & Employment, Government of India	December 23, 2016	Till Cancelled
2	Registration under Employees' Provident Fund Organisation	2563340999KNBNG	Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Ministry of Labour & Employment, Government of India	December 13, 2016	Till Cancelled

Sl. No	Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
3	Importer-Exporter Code	AAECN8327N	Foreign Trade (Development and Regulation) Act, 1992.	Ministry of Commerce & Industry/DGFT/Office of Additional DGFT, Bengaluru	November 03, 2020	Till Cancelled
4	Udyam Registration Certificate (MSME)	UDYAM-KR-03-0030373	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprises, Government of India	November 24, 2022	Till Cancelled
5	Shop or Commercial Establishment Registration	8/111/CE/0200/2017	Karnataka Shops and Commercial Establishments Act, 1961	Ministry of Labour, Government of Karnataka	August 03, 2022	December 31, 2026


#### IV. Tax Related Approvals

S. No	Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
1	Permanent Account Number [PAN]	AAECN8327N	Income Tax Act, 1961	Income Tax Department	January 18, 2015	Till cancelled
2	Tax Deduction Account Number [TAN]	BLRN08540A	Income Tax Act, 1961	Income Tax Department	January 29, 2015	Till Cancelled
3	Goods and Service Tax - Karnataka	29AAECN8327N1ZS	Karnataka Goods and Services Tax Act, 2017	Goods and Service Tax Department	October 18, 2023	Till Cancelled
4	Professional Tax	350716259	Registration Certificate on Professions, Trades, Callings and Employments Act, 1976	Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976	April 01, 2015	Till Cancelled

#### V. Quality Related Approvals

S. No	Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
1	Registration for ISO 9001:2015	SCK/01/NTP/22/91/2973	Quality Management System	Systems Conformity Kwaliti Certifications Pvt Ltd	October 28, 2022	October 27, 2025
2	Registration for ISO 27001:2013	SCK/05/NTP/22/91/2974	Information Security Management System	Systems Conformity Kwaliti Certification Pvt Ltd	October 28, 2022	October 27, 2025

#### VI. Intellectual Property Related Approvals

Logo/Word	Class	Trademark Type	Application No.	Date of Issue/ Application	Current Status
	42	Device	6596455	August 28, 2024	Formalities Chk Pass

**VI. Licenses/Approvals/Permission for which applications have been made by our Company but not received and/or yet to be applied by our Company**

- Our Company is in process of applying change of name in all approvals from “Netanalytiks Technologies Private Limited” to “Netanalytiks Technologies Limited”

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

1. The Fresh Issue of Equity Shares in terms of this draft prospectus has been authorized by a resolution by the Board of Directors passed at their meeting held August 09, 2024 on under Section 62(1)(c) of the Companies Act 2013 and subject to the approval of the members and such other authorities as may be necessary.
2. The Fresh Issue of Equity Shares in terms of this draft prospectus has been authorized by the shareholders by special resolution at the Extra Ordinary General Meeting held on August 12, 2024 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013.
3. Our Company has received In-principal approval from BSE vide their letter dated [●] to use the name of BSE in this draft prospectus for listing of the Equity Shares on SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange.
4. Our Board has approved the draft Prospectus through its resolution dated September 30, 2024.

### Confirmation:

- Our Company, our Promoters, Promoter Group, our directors, person(s) in control of the promoter or our Company 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 SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
- Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
- None of our Directors are in any manner associated with the securities market and there has been no action taken by the SEBI against the Directors in the past 5 years except as disclosed in this draft prospectus.
- None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.
- There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or government authority.
- Neither our Company, nor our Promoters, our Directors, relatives (as per the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under Section titled, "**Outstanding Litigations and Material Developments**" beginning on page no. 210 of this draft prospectus.
- 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.

### Eligibility for the Issue

- Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:
  - Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the SEBI.
  - 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 SEBI.
  - Neither our Promoter nor any of our directors is a Fugitive Economic Offender
  - Neither our Company, or our Promoter, or our directors, are Wilful Defaulters or Fraudulent Borrowers.



- Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital would be less than 10 crores, and can issue Equity Shares to the public and propose to list the same on the **SME Platform of BSE Limited**.

**We further confirm that:**

- i. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- ii. 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 refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) 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 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. 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.
- iii. In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the lead manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Lead Manager and the SME Platform of BSE.

Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus shall also be furnished to the SEBI in a soft copy.

- iv. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated August 23, 2024 with the Lead Manager and a 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 BSE Limited.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for SME Platform of BSE Limited, which are as under:**

❖ ***Incorporation: The Company shall be incorporated under the Companies Act, 1956/2013.***

Our Company is incorporated under the Companies Act, 2013 in India.

❖ ***Post Issue Paid up Capital: The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores.***

The post issue paid up capital (Face Value) of the company will be ₹ 4.01 crores. So, the company has fulfilled the criteria of post issue paid up capital shall not be more than ₹25 crores.

❖ ***Net Tangible Assets should be ₹ 3 crores in last preceding (full) financial year***

Our company has fulfilled the criteria of having net tangible assets of at least ₹3.00 crores in last preceding full financial years. The details are as mentioned below:

(Rs. In Lakhs)

Details	31-03-2024
Net Assets	513.81
Less: Intangible Assets	-
<b>Net Tangible Assets</b>	<b>513.81</b>

“net tangible assets” mean the sum of all net assets of the issuer, excluding intangible assets as defined in Accounting Standard 26 (AS 26) or Indian Accounting Standard (Ind AS) 38, as applicable, issued by the Institute of Chartered Accountants of India;

❖ **Net worth of at least Rs. 1 crore for 2 preceding full financial years:**

Our company has fulfilled the criteria of having net-worth of at least ₹1.00 crores for 2 preceding full financial years. The details are as mentioned below:

(Rs. In Lakhs)

Details	31-03-2024	31-03-2023
Paid-up share capital	32.11	32.11
All reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation	481.71	265.18
<b>Total</b>	<b>513.81</b>	<b>297.29</b>

❖ **Track Record: The company or the partnership/proprietorship/LLP Firm or the firm which have been converted into the company should have combined track record of at least 3 years or In case it has not completed its operation for three years then the company/partnership/proprietorship/LLP should have been funded by Banks or financial institutions or Central or state government or the group company should be listed for at least two years either on the main board or SME board of the Exchange.**

Our company was incorporated on January 12, 2015 and having track record of more than 3 years.

❖ **Earnings before Interest, Depreciation and Tax: The company should have operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date.**

The Issuer Company is having operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date. So, the company has fulfilled these criteria. The details are as mentioned below:

(Amt. in Lakhs.)

Particulars	31-03-2024	31-03-2023	31-03-2022
Net Profit as Restated	236.52	83.89	47.07
Add: Depreciation	1.01	0.68	18.07
Add: Interest on Loan	3.30	9.67	10.33
Add: Income Tax	82.44	29.51	16.12
Less: Other Income	(20.80)	(14.00)	(0.81)
<b>EBITDA (Operating Profit)</b>	<b>302.46</b>	<b>109.75</b>	<b>90.77</b>

❖ **Leverage ratio of the company is not more than 3:1.**

As per restated financials, the leverage ratio (Debt Equity ratio) of our company is not more than 3:1. The details are as mentioned below:

(Amount Rs. In Lakhs, except ratio)

Particulars	31-03-2024
Total Borrowings (Debt)	21.63
Total Net Worth (TNW) (Shareholders fund)	513.81
Debt Equity Ratio (Total Borrowing/TNW)	0.04

❖ **Disciplinary action:** We hereby confirm that;

- There is no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- The Promoter(s) or directors are not the promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and there is no applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.
- Directors are not disqualified/ debarred by any of the Regulatory Authority.

❖ **Default:** There are no pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies.

❖ **Name Change:** In case of name change within the last one year, at least 50% of the revenue calculated on a restated and consolidated basis for the preceding 1 full financial year has been earned by it from the activity indicated by its new name or the activity suggesting name should have contributed to at least 50% of the revenue, calculated on a restated and consolidated basis, for the preceding one full financial year.

The company has not changed its name in last one year apart from change of status of company from Private to Public.

❖ **Other Requirements:** We further confirm that;

- The Issuer Company has a live and operational website i.e., [www.netanalytiks.com](http://www.netanalytiks.com)
- 100% of the Promoter's shareholding in the company are dematerialized
- The Issuer Company has entered into an agreement with both depositories. The agreement with the Central Depository Services Limited (CDSL) is dated January 30, 2024, and National Securities Depository Limited is dated March 06, 2024, for establishing connectivity.
- There has been no change in the promoter(s) of Issuer Company in the preceding one year from date of filing application to BSE for listing on BSE SME
- The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.
- The Company has not been referred to NCLT under IBC.
- There is no winding up petition against the company, which has been admitted by the court.

**We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.**

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- ❖ The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform. BSE is the Designated Stock Exchange.

- ❖ Our Company has entered into an agreement dated March 06, 2024 with NSDL and agreement dated January 30, 2024 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- ❖ The entire pre-Issue share capital of our Company are fully paid-up and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- ❖ The Equity Shares held by the Promoters are dematerialized. As per Regulation 230 (2) of the SEBI ICDR Regulations, our Company has ensured that:
- ❖ The amount for general corporate purposes, as mentioned in objects of the issue in the Draft Prospectus does not exceed twenty-five per cent of the amount being raised by our Company.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. 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 ISSUE DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FINSHORE MANAGEMENT SERVICES LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR) REGULATION 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI ICDR REGULATION, 2018.**

**THE FILING OF THIS ISSUE DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY 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 LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

**THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS PRODUCED AS UNDER:**

**WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;

- B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
- C. THE MATERIAL DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.
6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**
8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

**ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME PLATFORM OF BSE LIMITED.**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE**.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALIZATION OF THE SPECIFIED SECURITIES OF THE ISSUER.



- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE.**
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE-**NOTED FOR COMPLIANCE.**

#### **DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this draft prospectus or in the advertisements or any other material issued by or at our Company's instance and that anyone placing reliance on any other source of information would be doing so at his or her own risk.

#### **CAUTION**

The LM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM (Finshore Management Services Limited) and our Company on September 04, 2024 and the Underwriting Agreement dated September 04, 2024, entered into between the Underwriters and our Company and the Market Making Agreement dated September 04, 2024, entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company and the LM 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 LM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, 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 Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

#### **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 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This draft prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this draft prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in **Karnataka, Bangalore** only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this draft prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such

jurisdiction. Neither the delivery of this draft prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE).

BSE Limited ("BSE") has vide its letter dated [●] given permission to "Netanalytik Technologies Limited" to use its name in the offer document as the Stock Exchange on whose Small and Medium Enterprises platform ("SME platform") the company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this company. BSE does not in any manner: -

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer documents; or
- ii. warrant that this company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this company, its promoters, its management or any scheme or project of this company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the company and investors are informed to take the decision to invest in the equity shares of the company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the company is determined by the company in consultation with the Merchant Banker(s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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 for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The company has chosen the SME platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and courts exclusively situated in Mumbai.

#### **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 Issued 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 Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues 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 Issued or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **LISTING**

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE Limited. Our Company has obtained In-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE Limited.

BSE 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 BSE, our

Company shall return through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing or trading without any interest.

If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every Director of the Company who is officer in default shall, on and from expiry of four (4) days, be jointly and severally liable to repay such application money, with interest at the rate of fifteen per cent per annum (15% p.a.).

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within Three (3) Working Days of the Issue Closing Date.

## FILING

The Draft Prospectus is being filed with BSE Limited, at 20<sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra.

After getting in-principal approval from BSE, a copy of the prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Bangalore.

A copy of the prospectus shall be filed with SEBI immediately upon filing of the Offer document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations, 2018. However, SEBI shall not issue any observation on the prospectus. Pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

## IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

*Shall be liable to action under Section 447 of the Companies, Act 2013.*

## CONSENTS

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Key Managerial Personnel or Senior Management, Our Peer Review Auditor, (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the draft prospectus with the ROC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the draft prospectus for filing with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations 2018, *M/s. Vishnu Daya & Co. LLP*, Chartered Accountant, our Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on "Statement of Tax Benefits" relating to the possible tax benefits and restated financial statements as included in this draft prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this draft prospectus for filling with Roc.

## EXPERTS OPINION

Except for the reports in the Section, "*Statement of Possible Tax Benefits*" and "*Financial Statement as Restated*" on page no. 84 and page no. 169 of this draft prospectus from the Peer Review Auditors and Statutory Auditor respectively; our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

## **PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS**

Except as stated under Section titled “*Capital Structure*” beginning on page no. 56 of this draft prospectus our Company has not undertaken any previous public or rights issue. Further, we are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES IN LAST 5 YEARS**

Since this is the initial public Issuing of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

## **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED GROUP-COMPANIES/ SUBSIDIARIES/ ASSOCIATES WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:**

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three year except as mentioned in this draft prospectus. This is the initial public Issuing of our Company’s Equity Shares

## **PERFORMANCE VIS-A-VIS OBJECTS–PUBLIC/RIGHT ISSUE OF OUR COMPANY**

Except as stated under Section titled “Capital Structure” beginning on page 56 of this draft prospectus our Company has not undertaken any previous public or rights issue.

## **PERFORMANCE VIS-A-VIS OBJECTS - LAST ONE PUBLIC/RIGHTS ISSUE OF LISTED SUBSIDIARIES / LISTED PROMOTERS:**

We don’t have any listed company under the same management or any listed subsidiaries or any listed promoters as on date of this draft prospectus.

## **OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES OR ANY OTHER CONVERTIBLE INSTRUMENTS ISSUED BY OUR COMPANY**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this draft prospectus.

## **OPTION TO SUBSCRIBE**

Equity Shares being issued through the draft prospectus can be applied for in dematerialized form only.

## **STOCK MARKET DATA OF THE EQUITY SHARES**

This being an initial public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Company has appointed “**Integrated Registry Management Services Private Limited**” as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company.

The Agreement dated September 04, 2024, amongst the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process 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 relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants in ASBA account or UPI ID linked bank account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Applicant should give full details such as name of the sole/first Applicant, Application Form number, Applicant DP ID, Client ID, Bank Account No./UPI ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Kodlu Ramakrishna Abhijith, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**Kodlu Ramakrishna Abhijith**

*Company Secretary & Compliance Officer*

**Netanalytiks Technologies Limited**

91 Springboard Gopala Krishna, Complex No.

45/3 Residency Rd MG Rd, Museum Road,

Bangalore North, Karnataka, India, 560025.

**Contact No.** +91 9880458806

**Email ID:** cs@netanalytiks.com

**Website:** www.netanalytiks.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

#### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this draft prospectus and hence there are no pending investor complaints as on the date of this draft prospectus.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY**

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters.

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

The Company has not sought for any exemptions from complying with any provisions of securities laws.



## PRICE INFORMATION OF LAST 10 (TEN) ISSUED HANDLED BY THE LEAD MANAGER

### Statement on Price Information of Last 10 (Ten) Issues handled by Finshore Management Services Limited:

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % change in closing price, [+/- % change in closing benchmark] – 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180 <sup>th</sup> calendar days from listing
1	Indong Tea Company Limited (BSE SME)	13.01	26/-	21/02/2023	20.80	-44.46 [-4.05]	-11.58 [1.74]	-23.08 [7.05]
2	ITCONS E-Solutions Limited (BSE SME)	8.67	51/-	13/03/2023	46.99	-0.51 [3.30]	-21.57 [7.53]	3.04 [14.36]
3	Alphalogic Industries Limited (BSE SME)	12.88	96/-	14/07/2023	96.00	84.32 [-1.12]	209.69 [0.62]	136.67 [8.06]
4	Holmarc Opto-Mechatronics Limited (NSE EMERGE)	11.40	40/-	25/09/2023	65.25	181.63 [-2.00]	166.38 [8.51]	125.38 [12.31]
5	Presstonic Engineering Limited (NSE EMERGE)	23.31	72/-	18/12/2023	140.00	146.11 [2.87]	69.51 [2.82]	59.44 [9.56]
6	HRH Next Services Limited (NSE EMERGE)	9.57	36/-	03/01/2024	41.00	18.47 [0.84]	-15.83 [4.39]	-11.11 [11.59]
7	Mayank Cattle Food Limited (BSE SME)	19.44	108/-	05/02/2024	116.00	4.68 [2.71]	22.22 [2.99]	83.15 [12.90]
8	Sylvan Plyboard (India) Limited (NSE EMERGE)	28.05	55/-	01/07/2024	66.00	107.09 [2.96]	N. A.	N. A.
9	Solve Plastic Products Limited (NSE EMERGE)	11.85	91/-	21/08/2024	102.00	-32.20 [2.61]	N. A.	N. A.
10	Travels & Rentals Limited (BSE SME)	12.24	41/-	05/09/2024	55.00	N. A.	N. A.	N. A.

Status as on 27/09/2024

1. in case where the security is not being traded on 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, the previous working day has been considered.
2. in case where 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is holiday, the previous working day has been considered for benchmark and security purpose.
3. the benchmark index is SENSEX where the securities have been listed in BSE SME/Startups and Nifty where securities have been listed in NSE Emerge.
4. N.A. – Period not completed

### Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount – 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium – 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount – 180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2020-21	7	73.34	N. A	1	1	3	1	1	1	1	1	2	1	1
2021-22	12	117.85	N. A	3	3	4	N. A	2	2	2	2	4	N. A	2
2022-23	5	76.59	N. A	N. A	N. A	3	N. A	2	N. A	N. A	1	4	N. A	N. A
2023-24	3	52.14	N. A	1	N. A	1	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A

Status as on 27/09/2024

The Lead Manager associated with the Offer have handled 27 SME public issues and Nil Main Board public issue during the current financial year and three financial years preceding the current Financial Year, out of which 7 SME public issues closed below the issue price on the listing date.

Type	FY 2024-25*	FY 2023-24	FY 2022-23	FY 2021-22	Total
SME IPO	3	5	12	7	27
Main Board IPO	-	-	-	-	-
<b>Total</b>	<b>3</b>	<b>5</b>	<b>12</b>	<b>7</b>	<b>27</b>
Issue closed Below Issue Price on Listing Day	-	-	5	2	7
Issue closed above Issue Price on Listing Day	3	5	7	5	20

\* Status as on 27/09/2024

### TRACK RECORD OF PAST ISSUES HANDLED BY FINSHORE MANAGEMENT SERVICES LIMITED

For details regarding track record of LM 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 LM at: [www.finshoregroup.com](http://www.finshoregroup.com).



## SECTION XI: ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this draft prospectus, the prospectus, the abridged draft prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the 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 Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that in terms of regulation 256 of the SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e., just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.*

### AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on August 09, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting held on August 12, 2024.

### RANKING OF EQUITY SHARES

The Equity Shares being Issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including 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, “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 258 of this draft prospectus.

### OFFER FOR SALE

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, for further details in relation to dividends, please refer to Sections titled, “*Dividend Policy*” and “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 168 and 258 respectively, of this draft prospectus.

### FACE VALUE AND ISSUE PRICE

The face value of the share of our company is ₹10/- per equity share and the issue price is ₹100/- per equity share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, “*Basis for Issue Price*” beginning on page 76 of this draft prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. 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 of our Company, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to Section titled, "*Description of Equity Shares and Terms of the Articles of Association*", beginning on page 258 of this draft prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issuer:

1. Tripartite agreement dated March 06, 2024 between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated January 30, 2024 between our Company, CDSL and the Registrar to the Issue.

The trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares and the same may be modified by the SME Platform of BSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this draft prospectus will be done in multiples of 1,200 Equity Shares subject to a minimum allotment of 1,200 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than Rs.1,00,000 (Rupees One Lakh) per application.

## MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 2 working days of closure of issue.

## JOINT HOLDERS

Where two (2) 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 this section shall upon the production of such evidence as may be required by the Board, elect either:

To register himself or herself as the holder of the Equity Shares; or to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) 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 will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## PERIOD OF SUBSCRIPTION LIST OF PUBLIC ISSUE

<b>ISSUE OPENS ON</b>	[•]
<b>ISSUE CLOSES ON</b>	[•]

- *In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the issue shall be open after at least three working days from the date of filing the prospectus with the Registrar of Companies.*
- *In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.*
- *In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (issue) period disclosed in the red herring draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.*
- *In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the issue period disclosed in the draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation 266(1).*

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 Issue Closing Date). On the 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 Issue Closing Date maybe extended in consultation with the LM, RTA and SME Platform of BSE Limited 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 Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 5.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such 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 LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

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

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

#### **MINIMUM SUBSCRIPTION**

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten, so this issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of draft prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

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 Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of 1,200 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, 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 BSE Limited.

#### **APPLICATION BY ELIGIBLE NRI'S, FPI'S/FII'S REGISTERED WITH SEBI, VCF'S REGISTERED WITH SEBI AND QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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.

**AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.**

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 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 Application Form, the OCB shall be eligible to be considered for share allocation.

**RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 56 of this Draft Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. Moreover, there is no material clause of Article of Association that has been left out from disclosure having bearing on the IPO. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 258 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

**ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE Limited.

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

**MIGRATION TO MAIN BOARD**

In accordance with the BSE Circular dated November 26, 2012 as amended from time to time and notice dated December 20, 2021 our Company will have to be mandatorily listed and traded on the SME Platform for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, the migration to the Main board of BSE from the SME Platform of BSE Limited on a later date shall be subject to the following:

- If the Paid up Capital of our 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 promoters 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 our Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR



- If the Paid-up Capital of the company is more than ₹ 10 crore but below ₹25 crore, 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 promoters 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 Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein M/s. Black Fox Financial Private Limited is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME for a minimum period of three (3) years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, ***“General Information- Details of the Market Making Arrangements for this Issue”*** beginning on page 49 of this draft prospectus.

## 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.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in ***Karnataka, Bangalore, India.***

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues 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 Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations 2018, whereby, an issuer whose post issue face value capital is less than ten crore rupees, issue shares to the public and propose to list the same on the SME platform of BSE Limited. For further details regarding the salient features and terms of such this Issue, please refer to Sections titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 229 and 238, respectively, of this draft prospectus.

The present Issue of 11,23,200 Equity Shares at an issue price of ₹100/- each aggregating to ₹ 1,123.20 Lakhs by our Company. The Issue and the Net Issue will constitute 27.99% and 26.59%, respectively of the post issue paid up equity share capital of the Issuer Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	10,66,800 Equity Shares	56,400 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.98% of the Issue Size	5.02% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 1,200 Equity Shares each.  For further details please refer to “ <i>Basis of Allotment</i> ” under Section titled “ <i>Issue Procedure</i> ” beginning on page 238 of this draft prospectus.	Firm Allotment
<b>Mode of Application</b>	Through ASBA Process or up to Rs. 5.00 lakhs through UPI for Individual Investors	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b>For Other than Retail Individual Investors:</b> 2,400 Equity Shares at Issue price of ₹100/- each so that the Application Value exceeds ₹2,00,000.  <b>For Retail Individuals:</b> 1,200 Equity Shares at Issue price of ₹100/- each.	56,400 Equity Shares @ ₹100/- each
<b>Maximum Application Size</b>	<b>For Other than Retail Individual Investors:</b> 10,66,800 Equity Shares at Issue price of ₹100/- each. (The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.)  <b>For Retail Individuals Investors:</b> 1,200 Equity Shares at Issue price of ₹100/- each.	56,400 Equity Shares @ ₹100/- each
<b>Trading Lot</b>	1,200 Equity Shares	1,200 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of Payment</b>	<b>100% at the time of application</b>	<b>100% at the time of application</b>

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details please refer to section titled “*Issue Structure*” beginning on page 235 of this Draft Prospectus.

\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to: (i) individual applicants other than retail individual investors; and (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for; Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage. For further information on the Allocation of Net Offer to Public, please refer to chapter titled **“The Issue”** on page no. 21 of this Draft Prospectus.

## WITHDRAWAL OF THE ISSUE

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

In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper where the registered office of the Company is situated.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) 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 Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through this draft prospectus, which our Company will apply for only after Allotment.

## ISSUE PROGRAMME

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with BSE SME	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on BSE SME	[●]

**Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the SME Platform of BSE Limited are taken within 3 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME in accordance with the applicable laws.

Applications and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form.

Standardization of cut-off time for uploading of application on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from other than retail individual applicants.
- (c) A standard cut-off time of 5.00 PM for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. IST on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications 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 holiday)

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by Retail Individual Investors through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“**CAN**”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, 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 Retail Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Retail Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to **continue with the UPI Phase II till further notice**. The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Investors (“**UPI Phase III**”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, (“**UPI Streamlining Circular**”) read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Draft Prospectus.

**Further, SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 has further reduced the time period for refund of applications money from four days to two days from issue closing date viz. initiation not later than 09.30 am on T+2 day (T is issue Closing Date) and completion before 2.00 pm on T+2 day for fund transfer and completion before 4.00pm on T+2 day for unblocking.**

**SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, which came into force for public issue opening on or after May 01, 2022 has decided that all Individual Investors applying in Public Issues where the application amount is upto Rs. 5 Lakhs shall use UPI.**

**Further, as per SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/75 dated May 30, 2022. All ASBA applications in Public Issues shall be processed only after the application money is blocked in the investor’s bank accounts. The provisions of the circular shall be for all issues opening from September 01, 2022 onwards.**

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs.100 per day for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus. Further, our Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

#### **Phased implementation of Unified Payments Interface (UPI)**

SEBI has issued the various 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 Retail Individual Investors 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 was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the 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 Retail Individual Investors 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 SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

This Issue is mandatorily being made under Phase III of the UPI Mechanism.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

*Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through 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.*



Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“UPI Streamlining Circular”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Lead Manager, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the Lead Manager will be required to compensate the concerned investor.

### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations, and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance is being offered to Other Investors including QIBs and Non-Institutional Applicants. However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price.

Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors Category where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialised form. It is mandatory to furnish the details of Applicant’s depository account along with Application Form. The Application Forms which do not have the details of the Applicants’ depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants’ PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form.**

### **APPLICATION FORM**

Copies of Application Forms and Abridged Prospectus will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, an electronic copy of the Application Forms and Abridged Prospectus will also be available for download on the website of the Company, Lead Manager and Stock Exchange, BSE ([www.bseindia.com](http://www.bseindia.com)), at least one day prior to the Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. The Retail Individual Investors can additionally Bid through the UPI Mechanism.

All ASBA Bidders must provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of Retail Individual Investors), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the Retail Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Retail Individual Investors bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.



Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

\* Excluding electronic Application Form.

\*\* Application forms will also be available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)). Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than Retail Individual Investors using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For Retail Individual Investors using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to Retail Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Retail Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate Retail Individual Investors (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the LM for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

## WHO CAN APPLY?

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Application Form and GID for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- i. Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- ii. Applications belonging to an account for the benefit of a minor (under guardianship);
- iii. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant:

- XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications from individuals;
- iv. Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
  - v. QIBs;
  - vi. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
  - vii. Qualified Foreign Investors subject to applicable law;
  - viii. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
  - ix. Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under the irrelative constitutions to hold and invest in equity shares;
  - x. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
  - xi. Insurance companies registered with IRDAI;
  - xii. Mutual Funds registered with SEBI;
  - xiii. FPIs other than Category III Foreign Portfolio Investor;
  - xiv. Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Other Investors Category;
  - xv. Scientific and/ or industrial research organizations authorised in India to invest in the Equity Shares; and
  - xvi. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications should not to be made by:**

- i. Minors (except through their Guardians)
- ii. Partnership firms
- iii. Foreign Nationals (except NRIs)
- iv. 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 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 Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 (the "U.S. Securities Act") or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The information below is given for the benefit of the applicants. Our Company, and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.*

**MAXIMUM AND MINIMUM APPLICATION SIZE:**

**1. For Retail Individual Applicants:**

The Application must be for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs 2,00,000. As the application price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, **they can make Application only upto 1,200 Equity Shares.**

## 2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs 2,00,000 and in multiples of 1,200 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 Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

## 3. Minimum Bid Lot: 1,200 Equity Shares

### BASIS OF ALLOTMENT

Allotment will be made in consultation with the Designated Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- 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 over subscription ratio (number of applicants in the category X number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 1,200 Equity Shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted 1,200 Equity Shares;
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,200 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,200 Equity Shares subject to a minimum allotment of 1,200 Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 1,200 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 offer specified under the Capital Structure mentioned in this Draft Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
  - As per Regulation 253(2) of the SEBI (ICDR) Regulations 2018, as the Retail Individual Investor category is entitled to minimum fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - Remaining to Individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - The unsubscribed portion in either of the categories specified in (i) or (ii) above may be available for allocation to the applicants in the other category, if so required.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the designated stock exchange.

The Executive Director/Managing Director of the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

For details with respect to allotment to reserved category i.e. Shareholders Reservation Portion and Market Maker Reservation Portion, please see chapter “*Issue Structure*” beginning on page 235 of this Draft Prospectus.

#### **PARTICIPATION BY ASSOCIATES /AFFILIATES OF LM AND THE SYNDICATE MEMBERS**

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company’s paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **APPLICATIONS BY ELIGIBLE NRI’S**

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Applying on a repatriation basis could make payments through the ASBA process only by blocking the funds for the amount payable on application in their NRE Account or FCNR Accounts, maintained with banks authorised by the RBI to deal in foreign exchange.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by blocking the relevant funds in their NRE or FCNR account, as the case may be. Payment for Application by non-resident Applicants applying on a repatriation basis will not be accepted out of NRO accounts for the full Application amount, at the time of submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

## **APPLICATIONS BY HUF**

Application by Hindu Undivided Families or HUFs should be in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications by individuals.

## **APPLICATIONS BY FPI'S**

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) is not permitted to exceed 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 upto the sectoral 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 the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

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 a 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. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

## **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company without assigning any reason therefor.

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 bank's 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 bank's interest on loans/investments made to a company. The bank is required to submit a timebound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial 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.



## **APPLICATIONS 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 applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

## **APPLICATIONS BY SEBI REGISTERED VENTURE CAPITAL FUNDS, ALTERNATIVE INVESTMENT FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI VCF Regulations and the SEBI FVCI Regulations, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

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 1/3<sup>rd</sup> 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 Regulations.

All Non-Resident Applicants including Eligible NRIs, 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 / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I or II AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the draft prospectus with SEBI. However, such equity shares shall be locked in for a period of at least one year from the date of purchase by the VCF, category I or II AIF or FVCI, as the case may.

## **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

## **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by Insurance Companies, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "IRDAI Investment Regulations") are broadly set forth below:

- a) Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.



The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

#### **APPLICATIONS BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies Systemically Important Non-Banking Financial Companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor.

#### **APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor. Systemically Important Non-Banking Financial Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

*The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this draft prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application 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 this draft prospectus.*

**The above information is given for the benefit of the Bidders. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulations and as specified in the Draft Prospectus, when filed.**

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)**

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

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 Application Form, please refer the above-mentioned SEBI link.

## METHOD AND PROCESS OF APPLICATIONS

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## TERMS OF PAYMENT

The entire Issue price of ₹100/- 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 Applicants.

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 applicants 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 Applicants.

## PAYMENT MECHANISM

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the 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 Applicants shall neither withdraw nor lower the size of their applications at any stage.** In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until 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 Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer 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 offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the 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 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 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 Lead Manager on a regular basis.
6. With respect to applications by Applicants, 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 Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sl. 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 Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;

- Client Identification Number of the demat account of the Applicant;
  - 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 an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA 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 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 Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft 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 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 Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the 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 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.

#### **ALLOCATION OF EQUITY SHARES**

- 1) The Issue is being made through the Fixed Price Process wherein 56,400 Equity Shares shall be reserved for Market Maker and 10,66,800 Equity shares (Net Issue) will be allocated on a proportionate basis to Retail Individual Applicants, and Non-Retail Applicants.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage and retail individual investors can withdraw or revise their bids till issue closure date.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the prospectus with the ROC, publish a pre- Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation where the registered office of the Company is situated.

#### **ISSUANCE OF ALLOTMENT ADVICE (CAN)**

- 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. Applicants are advised to instruct their Depository Participants to accept the Equity Shares

that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants 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 Applicant.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants 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 DATES

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with BSE SME	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on BSE SME	[●]

**Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the SME Platform of BSE Limited are taken within 3 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME in accordance with the applicable laws

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals. All applicants (other than Anchor Investors) should submit their Bids through the ASBA process only;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process 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);
- Instruct your respective Banks to not release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Applications are submitted at the Collection centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your Application is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at collection centres and not to our Company.
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account or UPI ID, as applicable) in the Application Form if you are not a Retail Individual Investor bidding using the UPI Mechanism in the Application Form and if you are a Retail Individual Investor using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Application Form.
- Submit revised Applications to the same member of the Syndicate, SCSB or Non-Syndicate Registered Broker, or RTAs or DPs as applicable, through whom the original Application was placed and obtain a revised TRS;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the draft prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application



options;

- All Investors submit their applications through the ASBA process only except as mentioned in *SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021*;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than one application from one bank account.
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;

#### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA 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 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](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com).

#### **Applicant'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 application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details').

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.



By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### ***Submission of Application Form***

All 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 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 Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of 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 the SME platform of BSE Limited 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:

- Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
- 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
- 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 Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## **OTHER INSTRUCTIONS FOR THE APPLICANTS**

### **Joint Applications**

In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### **Multiple Applications**

An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

### **IMPERSONATION:**

*Attention of the application is specifically drawn to the provisions of the 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.
- d) The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount."

## 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 APPLICANT

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 Applicants should inform their respective DP.

## GROUND FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the firm. However, a Limited Liability Partnership can apply in its own name.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications made using a third-party bank account or using third party UPI ID linked bank account;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 1,200;
- Category not ticked;
- Multiple Applications as defined in this draft prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and draft prospectus as per the instructions in this draft prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals. Application or revision thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;

- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- Details of ASBA Account not provided in the Application form;
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

#### **Names of entities responsible for finalizing the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Completion of Formalities for Listing & Commencement of Trading**

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 3 (Three) Working Days of the Issue Closing Date. The Registrar to the Issue may dispatch the Allotment Advice within 3 (Three) Working Days of the Issue Closing Date.

#### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) The issue is 100% underwritten. Our company has entered into an Underwriting Agreement dated September 04, 2024, with Lead Manager. For Further information, please refer section "**General Information**" beginning from page no 49 of this draft prospectus.
- b) A copy of prospectus will be filed with the RoC in terms of Section 26 & 32 of Companies Act, 2013.

#### **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 3 (Three) Working days of Issue Closing Date.
- 3) That the funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the registrar to the issue by the issuer.
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) That the promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public in accordance with applicable provisions in these regulations.
- 6) That no further issue of securities shall be made till the securities offered through the draft prospectus are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 19.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.
- 8) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

## 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.
- 4) The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 5) The details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

## 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 had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated March 06, 2024 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated January 30, 2024 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. **"INE08AG01019"**.

## RESTRICTIONS OF FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the “automatic route”, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the “government route”, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“DPIIT”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails.

RBI has also issued Master Direction- Foreign Investment in India dated January 4, 2018. In terms of the Master Direction, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to consult their legal counsel, to make their independent investigations and ensure that Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

**(THE COMPANIES ACT, 2013)**

**(COMPANY LIMITED BY SHARES)**

**TABLE -F**

**ARTICLES OF ASSOCIATION**

**OF**

**NETANALYTIKS TECHNOLOGIES LIMITED**

**Preliminary**

\*1 Subject as hereinafter provided the Regulations contained in Table ‘F’ in Schedule I to the Companies Act, 2013 shall apply to the Company.

**Interpretation**

**I. 1.** In these regulations—

- (a) “The Act” means the Companies Act, 2013,
- (b) “The Seal” means the common seal of the company.
- (c) “The Year” means 1<sup>st</sup> April to 31<sup>st</sup> March respectively.

**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.

**Public Company**

**3.** As per Section 2(71) of the Companies Act,2013 “Public company” means a company which—

- a) Is not a Private Company  
Provided that a Company which is a subsidiary of a Company, not being a Private Company, shall be deemed to be a Public Company for the purpose of this Act even where such Subsidiary Company continues to be a Private Company in its articles;

**Share capital and variation of rights**

**II. 1.** Subject to the provisions of the Act and these Articles, the shares capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further, provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

**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.
  - (c) one certificate for all his shares without payment of any charges; or
  - (d) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) The Company agrees to issue certificates within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
- (iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iv) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
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 the 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 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.

9. Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered in compliance with the relevant provisions of the Companies Act, 2013 and any other applicable law.

**10. Dematerialisation of Shares**

- I. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other security holders with the details of members/debenture holders/ other securities both in materialized and dematerialized form in any medium as permitted by the Act.
- II. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.
- III. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.
- IV. In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.  
Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 and any other applicable section as amended of the Depositories Act shall apply so far as applicable.
- V. Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company on that behalf.
- VI. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.

**Lien**

11. (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.

Every fully paid shares shall be free from all lien and that in the case of partly paid shares the issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares.

- (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.

12. 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.
13. (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.
14. (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**

15. (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.
16. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid in installments.
17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.  
(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
19. (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.
20. 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**

21. (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.
22. The Board may, subject to the right of appeal conferred by section 58 decline to register—
  - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.
  - (c) Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
  - (d) The common form of transfer shall be used by the Company.
23. 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.
24. 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**

25. (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.
26. (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.
27. (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.

28. 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**

29. 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.
30. 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.
31. 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.
32. (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.
33. (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.
34. (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.
- (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.
35. 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

36. 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.
37. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;
  - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (d) 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.
38. Where shares are converted into stock,—
- (a) 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.
  - (b) 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.
  - (c) 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.
39. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

### Capitalization of Profit

40. (i) The company in general meeting may, upon the recommendation of the Board, resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution;
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);



- D. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- E. The board shall give effect to the resolution passed by the company in pursuance of this regulation.

41. (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 capitalized thereby, and all allotments and issues of fully paid shares if any; and (b) generally do all acts and things required to give effect thereto.

(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 capitalization, 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 capitalized, 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.
- (iv) Capital 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.

#### **Buy-back of shares**

42. 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**

43. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

44. (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**

- 45. (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.
- 46. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 47. 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.
- 48. 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

49. (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

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) 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.
51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
52. (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.
53. 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.
54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
55. 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.
56. (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

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized 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.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. 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

60. The number of 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 First Directors of the Company are:

1. **Lakshminarayana Ullala**
2. **Chandrasekharan Kulathoor**
3. **Shankara Chilkunda**

61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

62. The Board may pay all expenses incurred in getting up and registering the company.

63. 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.

64. 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.

65. 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.

(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.

### 66. MANAGING DIRECTOR(S)/WHOLE TIME DIRECTOR(S)/KEY MANAGERIAL PERSONNEL

The Managing Director or Whole Time Director shall be appointed in compliance with the provisions of Companies Act, 2013 and any other applicable law in force.

### 68. Powers and duties of Managing Director or whole-time Director

The Managing Director/Whole-time Director shall be subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these presents by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/whole-time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

### Proceedings of the Board

69. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
70. (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.
71. 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.
72. (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.
73. (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
74. (i) A committee may elect a Chairperson of its meetings.
- (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 members present may choose one of their members to be Chairperson of the meeting.
75. (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.
76. 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.
77. 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

78. Subject to the provisions of the Act,—
- a. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or the chief financial officer so appointed may be removed by means of a resolution of the Board;

- b. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
79. 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

80. (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

81. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
82. 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.
83. (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 equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
84. (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.
85. 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.
86. (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.

87. 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.
88. 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.
89. No dividend shall bear interest against the company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law.

#### **Accounts**

90. (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**

91. Subject to the provisions of Chapter XX of the Act and rules made thereunder—
- a. 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.
  - b. 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.
  - c. 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**

92. 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.

\*1 (Adoption of Articles of Association vide Resolution passed at the Extra Ordinary General Meeting dated 10<sup>th</sup> June, 2024).



## SECTION XII: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of the draft prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the prospectus delivered to the RoC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at 91 Springboard Gopala Krishna, Complex No. 45/3 Residency Rd MG Rd, Museum Road, Bangalore North, Karnataka, India, 560025 between 10.00 a.m. to 5.00 p.m. (IST) on all working days and will also be available at the website of our company [www.netanalytiks.com](http://www.netanalytiks.com) from the date of the draft prospectus until issue closing date.

#### A. MATERIAL CONTRACTS TO THE ISSUE

1. Issue Agreement dated September 04, 2024 entered into among our Company and the Lead Manager.
2. Agreement dated September 04, 2024 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated March 06, 2024 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated January 30, 2024 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement [●] among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated September 04, 2024 between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated September 04, 2024 between our Company and the Lead Manager.

#### B. MATERIAL DOCUMENTS

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporations of our Company dated January 12, 2015 and August 08, 2024 issued by Registrar of Companies and Central Processing Centre respectively.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated August 09, 2024 and August 12, 2024 respectively, authorizing the Issue and other related matters.
4. Copies of Audited Financial Statements of our Company for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.
5. Peer Review Auditors Report dated September 10, 2024 on Restated Financial Statements of our Company for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022.
6. Copy of Statement of tax benefits dated September 10, 2024, from the Statutory Auditor included in this draft prospectus.
7. Consents of Promoters, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Legal Advisor to the Issue, Banker to the Issue & Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the draft prospectus to act in their respective capacities.
8. Certificate on KPI's issued by the Statutory Auditor M/s. Vishnu Daya & Co. LLP, Chartered Accountants, vide their certificate dated September 30, 2024.
9. In-principle listing approval dated [●] from BSE Limited for listing the Equity Shares on the SME Platform of BSE Limited.

10. Due Diligence certificate dated [●] submitted to SEBI after filing the prospectus with RoC.

Any of the contracts or documents mentioned in this draft prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Shankara Anantharamaiah Chilkunda**

Managing Director

DIN: 07005503

Date: September 30, 2024

Place: Bangalore

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Lakshminarayana Ullala**  
Whole Time Director  
DIN: 07005391

Date: September 30, 2024

Place: Bangalore

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Kalyani Arudi Rudrappa**  
Non-Executive Director  
DIN: 10555033

Date: September 30, 2024

Place: Bangalore

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Hirahal Subramanyam Phaniraj**  
Independent Director  
DIN: 05183206

Date: September 30, 2024

Place: Bangalore



**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Nikhil Dokania**  
Independent Director  
DIN: 08144861

Date: September 30, 2024

Place: Bangalore

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

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

Sd/-

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**Sangita Ullala**  
Chief Financial Officer

Date: September 30, 2024

Place: Bangalore

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

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

Sd/-

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**Kodlu Ramakrishna Abhijith**  
Company Secretary & Compliance Officer

Date: September 30, 2024

Place: Bangalore