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**SODHANI ACADEMY OF FINTECH ENABLERS LIMITED**  
*(Formerly known as Sodhani Academy of Fintech Enablers Private Limited)*  
CIN: U67120RJ2009PLC028237

Our Company was originally incorporated as “Sodhani Financial Consultants Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 03, 2009 issued by the Registrar of Companies, Rajasthan, Jaipur. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to “Sodhani Financial Consultants Limited” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on March 09, 2023. The fresh certificate of incorporation dated April 10, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur.

**Registered Office:** P No. C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021, Rajasthan, India

**Tel:** 0141- 2358107; **E-mail:** safe.fintech3105@gmail.com; **Website:** www.safefintech.in

**Our Promoters:** Rajesh Kumar Sodhani, Priya sodhani and Rajesh Kumar Sodhani HUF

**NOTICE TO INVESTORS: ADDENDUM TO THE DRAFT PROSPECTUS DATED DECEMBER 30, 2023 (THE “ADDENDUM”)**

INITIAL PUBLIC OFFERING OF UP TO 15,30,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (“EQUITY SHARES”) OF SODHANI ACADEMY OF FINTECH ENABLERS LIMITED (“SODHANI” “SAFEL” OR “OUR COMPANY” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO ₹ [●] LAKHS COMPRISING OF FRESH OFFER OF UP TO 9,70,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (“FRESH OFFER”) AND AN OFFER FOR SALE OF UP TO 5,60,000 EQUITY SHARES BY MR. RAJESH KUMAR SODHANI AND MRS. PRIYA SODHANI (“PROMOTERS SELLING SHAREHOLDERS”) AGGREGATING TO ₹ [●] LAKHS (“OFFER FOR SALE”) (“THE OFFER”) OF WHICH UP TO [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE OFFER LESS THE MARKETMAKER RESERVATION PORTION I.E. OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS (“NET OFFER”). THE OFFER AND THE NET OFFER WILL CONSTITUTE [●] % AND [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential Applicants may note the following:

The Draft Prospectus including the sections titled “*General*”, “*Summary of Offer Document*”, “*Risk Factors*”, “*The Offer*”, “*Summary of Financial Information*”, “*Capital Structure*”, “*Particulars of the Offer*”, “*About the Company*”, “*Financial Information*”, “*Management’s Discussion And Analysis Of Financial Condition And Results Of Operations*”, “*Other Regulatory and Statutory Approvals*”, “*Offer Structure*” Beginning On pages “1”, “18”, “24”, “38”, “40”, “52”, “65”, “94”, “139”, “166”, “186”, “204”, respectively of the Draft Prospectus shall be appropriately updated to reflect the developments indicated in this Addendum, as and when they are filed with the RoC and the Stock Exchanges.

The changes in this Addendum are to be read in conjunction with the Draft Prospectus and accordingly the corresponding references in the Draft Prospectus stand updated pursuant to this Addendum. The information in this Addendum supplements the Draft Prospectus and updates the information in the Draft Prospectus, as applicable. However, this Addendum does not reflect all the changes that have occurred between the date of filing of the Draft Prospectus and the date hereof, and accordingly does not include all the changes and/or updates that will be included in the Prospectus. Please note that the information included in the Draft Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable, in the Prospectus, as and when filed with the RoC and the Stock Exchanges. Investors should not rely on the Draft Prospectus or this Addendum for any investment decision, and should read the Prospectus, as and when it is filed with the RoC and the Stock Exchanges before making an investment decision with respect to the Offer. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

For and on behalf of **Sodhani Academy of Fintech Enablers Limited**

On behalf of the **Board of Directors**  
Sd/-

Place: Jaipur

Date: June 29, 2024

Monika Agarwal  
Company Secretary and Compliance Officer

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**



SRUJAN ALPHA  
CAPITAL ADVISORS



**SRUJAN ALPHA CAPITAL ADVISORS LLP**

**Registered Address:** 112A, 1<sup>st</sup> floor, Arun Bazar, S.V. Road, Beside Bank of India, Malad (West), Mumbai - 400 064

**Correspondence Address:** 824 & 825, Corporate Avenue, Sonawala Rd, opposite Atlanta Centre, Sonawala Industry Estate, Goregaon, Mumbai- 400064

**Tel:** +91 022-40167322

**Contact Person:** Mr Jinesh Doshi

**E-mail:** [jinesh@srujanalpha.com](mailto:jinesh@srujanalpha.com)

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

**SEBI Registration Number:** INM000012829

**CAMEO CORPORATE SERVICES LIMITED**

**Registered Address:** "Subramanian Building", #1, Club House Road, Chennai - 600 002

**Tel:** +91-44-40020700, 28460390

**Fax:** +91-44-28460129

**Contact Person:** Mr. R.D. Ramasamy, Director

**Email:** [investor@cameoindia.com](mailto:investor@cameoindia.com)

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

**CIN No.:** U67120TN1998PLC041613

**SEBI Registration Number:** INR000003753

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## SECTION I – GENERAL

### COMPANY RELATED TERMS

| Term                          | Description  |
|-------------------------------|--|
| Restated Financial Statements | Restated Financial Statements of our Company as at Financial Years ended on March 31, 2024, 2023 and 2022 (prepared in accordance with the Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations) which comprises the restated Statement of Assets & Liabilities, the restated Statement of Profit and Loss and restated Statement of Cash Flows along with all the schedules and notes thereto |

### PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

#### FINANCIAL DATA

Unless stated otherwise, the financial statements in this Draft Prospectus are derived from our Financial Statements. The Restated Financial Statements included in this Draft Prospectus for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 has been prepared in accordance with Indian GAAP and the Companies Act, and has been restated in accordance with the SEBI ICDR Regulations.

## SECTION II - SUMMARY OF OFFER DOCUMENT

### SUMMARY OF FINANCIAL INFORMATION

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

| Particulars   | For the year ended March 31 |        |        |
|---|-----------------------------|--------|--------|
|   | 2024                        | 2023   | 2022   |
| Equity Share capital  | 472.50                      | 135.00 | 27.00  |
| Net Worth   | 656.22                      | 476.85 | 338.25 |
| Total Revenue   | 306.95                      | 203.45 | 188.19 |
| Profit (or loss) after tax for the year                                   | 183.17                      | 139.39 | 123.91 |
| Basic and diluted earnings per share (₹ /share) (Pre Bonus)               | 3.88                        | 51.63  | 113.95 |
| Basic and diluted earnings per share (₹ /share) (Post Bonus)              | 3.88                        | 2.95   | 10.42  |
| Net asset value per Equity Share (basic and diluted)* (in ₹) (Pre Bonus)  | 13.89                       | 176.61 | 311.07 |
| Net asset value per Equity Share (basic and diluted)* (in ₹) (Post Bonus) | 13.89                       | 10.09  | 28.45  |
| Total Borrowings (as per balance sheet)                                   | -                           | 2.65   | 4.10   |

### SUMMARY OF RELATED PARTY TRANSACTIONS

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

List of related parties where control exists and related parties with whom transactions have taken place and relationships:



| Sr. No. | Name of the Related Party       | Relationship                                       |
|---------|---------------------------------|--|
| 1       | Mr Rajesh Kumar Sodhani         | Key Managerial Personnel                           |
| 2       | Ms. Priya Sodhani               |  |
| 3       | Mr. Suresh Kumar Sodhani        |  |
| 1       | Rajesh Kumar Sodhani HUF        | Entities with significant influence over the Group |
| 2       | Sodhani Capital Private Limited |  |

**Transactions for the year (₹ in Lakhs)**

| S. No. | Particulars  | Year ended March 31st, 2024 | Year ended March 31st, 2023 | Year ended March 31st, 2022 |
|--------|--|-----------------------------|-----------------------------|-----------------------------|
| 1      | Salaries   |                             |                             |                             |
|        | Key Management personnel                           |                             |                             |                             |
|        | Mr Rajesh Kumar Sodhani                            | 12.00                       | 12.00                       |                             |
|        | Ms. Priya Sodhani                                  | -                           | -                           | 1.50                        |
| 2      | Net Loans and Advances given / (returned)          |                             |                             |                             |
|        | Entities with significant influence over the Group |                             |                             |                             |
|        | Sodhani Capital Private Limited                    | -                           | -5.81                       | 5.81                        |
| 3      | Unsecured long term Loans received and (repaid)    |                             |                             |                             |
|        | Key Managerial Personnel                           |                             |                             |                             |
|        | Ms. Priya Sodhani                                  | -                           | -                           | -0.50                       |
|        | Mr. Rajesh Kumar Sodhani                           | 2.65                        | -1.45                       | 4.10                        |

**Details of balances with related party at the year end**

| Sr. no. | Particulars  | As on March 31st, 2024 | As on March 31st, 2023 | As on March 31st, 2022 |
|---------|--|------------------------|------------------------|------------------------|
| 1       | Loans and advances (Asset)                         |                        |                        |                        |
|         | Entities with significant influence over the Group |                        |                        |                        |
|         | Sodhani Capital Private Limited                    | -                      | -                      | 5.81                   |
| 2       | Unsecured long term loans (liability)              |                        |                        |                        |
|         | Key Managerial Personnel                           |                        |                        |                        |
|         | Ms. Priya Sodhani                                  | -                      | -                      | -                      |
|         | Mr. Rajesh Kumar Sodhani                           | -                      | 2.65                   | 4.10                   |

## SECTION III - RISK FACTORS

The *Risk Factors* has been updated as follows:

**3. As on date we have 8 Trainers who are engaged with us on full time basis. We are substantially dependent on our trainers and our ability to attract and retain them for our business delivery. Sudden decrease in the number of our trainers due to attrition or our inability to on board new trainers may affect our operations and business.”**

As on date we have 8 Trainers who are engaged with us on full time basis. The delivery of our business is substantially dependent on these trainers. We also engage with guest trainers for specific sessions on fees basis. An exit/discontinuation of our trainers or our inability to engage with new full time or guest trainers may significantly affect our operations.

Any decrease in the number or quality of our trainers may affect the operations too. We cannot assure you that the working satisfaction level, remuneration policy or the human resource strategy in place will be sufficient to retain the services of existing trainers or obtain new trainers. Any sudden decrease in the number of such Trainers may disrupt our operations for the immediate period until suitable arrangements can be made by us and any delay or difficulties in finding requisite number of trainers in a timely manner may affect our operations, reputation and consequently our business.

**8. There are certain non-compliances noticed in few of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956 and 2013. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate or any other law could impact the financial position of the Company to that extent.”**

There are certain non-compliances noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes clerical errors in the forms filed by our Company with the ROC in past years, for instance, birth date of Mrs. Priya Sodhani, has been wrongly mentioned. Our Company has not disclosed the Related party transaction as per the AS 18 in audited financial statements in past. In the past our company has erroneously not amended its main object clause of MOA to include learning and training services. However, we have now amended our MOA to cover our main business activity in totality.

Also, there are certain cases where some of forms has been filed late in Registrar of Companies for which requisite delayed fees was paid by the Company. In case of any action being taken by the regulatory authorities against the Company and/or its officers, the same may have an adverse effect on our business, financial conditions and result of operations. Although, no show cause notice in respect of the above has been received by the Company till date.

**10. In the past our total revenues had a substantial contribution from other income.**

The contribution of other income in our total revenues has been 33.19%, 32.38% and 1.22% for the period ended March 31<sup>st</sup> 2024, March 31<sup>st</sup> 2023 and March 31<sup>st</sup> 2022 respectively. In the past, our total revenues had a substantial contribution from other income. Over the past years we have earned income from other sources apart from our main revenue streams/ operations. Such incomes have majorly come from interest income, dividend income, profit/loss on sale of investment of properties.

**15. Some of our share transfer deeds are not traceable.**

Our Company is unable to trace transfer deed pertaining to share transfer deeds for the period FY 2009-10 are not traceable. Pertaining to the transfers during FY 2009-10, the share transfers have been verified through minutes of the board meetings, share transfer register maintained by the company as per the companies Act, 2013 and the details of transfers as submitted to ROC via annual returns for the aforesaid period. As such under the circumstances elaborated above, our Company cannot assure that the information gathered through other available documents of the company are correct. Also, our Company may not be in the position to attend to and / or respond appropriately to any legal matter due to lack of lost records and to that extend the same could affect our business operations, goodwill and profitability.

Further, please refer to following table regarding share transfers since incorporation, mentioning the status of transfer deeds:

| FY      | Transferor                                 | Date of Transfer   | No. of Shares Transferred | Transferee               | Transfer deeds available (Yes/No)    |
|---------|--|--------------------|---------------------------|--------------------------|--------------------------------------|
| 2009-10 | Euro Asia Mercantile Private Limited       | September 29, 2009 | 16000                     | Rajesh Kumar Sodhani HUF | <b>Transfer deeds not available.</b> |
| 2009-10 | Lotus Realcon Private Limited              | September 29, 2009 | 16000                     | Rajesh Kumar Sodhani HUF |                                      |
| 2009-10 | Mani Mala Delhi Properties Private Limited | September 29, 2009 | 16000                     | Rajesh Kumar Sodhani HUF |                                      |

|         |  |                    |       |                          |                                     |
|---------|--|--------------------|-------|--------------------------|-------------------------------------|
| 2009-10 | Shalini Holding Limited                    | September 29, 2009 | 16000 | Rajesh Kumar Sodhani HUF | <b>Transfer deeds not available</b> |
| 2009-10 | Ad Fin Capital Services(I) Private Limited | September 29, 2009 | 16000 | Rajesh Kumar Sodhani HUF |                                     |

**16. We have experienced negative cash flows in the past.**

Our cash flow from our operating, investing and financing activities have been negative in the past. Following are the details of our cash flow position for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 based on restated financial statements. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

| Particulars                             | For the year ended (in ₹ Lakhs) |         |         |
|---|---------------------------------|---------|---------|
|   | 2024                            | 2023    | 2022    |
| Net cash flow from Operating activities | 226.45                          | 56.45   | 130.07  |
| Net cash flow from Investing activities | -254.22                         | -161.16 | -130.21 |
| Net cash flow from Financing activities | -2.65                           | -1.44   | 156.61  |

For further details, please see the chapter titled “Financial Information of our Company” of this Draft Prospectus.

## SECTION IV - THE OFFER

|  |  |
|--|--|
| <b>Equity Shares Offered(1):<br/>Present Offer of Equity Shares<br/>by our Company (2)</b> | Up to 15,30,000 Equity Shares of face value of ₹10.00 each fully paid for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs  |
| <i>The Offer consists of:</i>  |  |
| <b>Fresh Offer</b>   | Up to 9,70,000 Equity Shares of face value of ₹10.00 each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating upto ₹ [●] Lakhs   |
| <b>Offer for Sale<sup>(3)</sup></b>  | Up to 5,60,000 Equity Shares of face value of ₹10.00 each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating upto ₹ [●] Lakhs   |
| <i>Of which:</i>   |  |
| <b>Offer Reserved for the Market Maker</b>   | Up to <b>78,000</b> Equity Shares of face value of ₹10.00 each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs   |
| <b>Net Offer to Public</b>   | Up to <b>14,52,000</b> Equity Shares of face value of ₹10.00 each fully paid-up for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs  |
|  | <i>Of which<sup>(4)</sup>:</i>   |
|  | Up to <b>7,26,000</b> Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹2.00 Lakhs |
|  | Up to <b>7,26,000</b> Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹2.00 Lakhs |
| <b>Equity shares outstanding prior to the Offer</b>  | 47,25,000 Equity Shares of face value of ₹10.00 each fully paid-up   |
| <b>Equity shares outstanding after the Offer</b>   | Up to 56,95,000 Equity Shares of face value of ₹10.00 each fully paid-up   |
| <b>Use of Net Proceeds</b>   | Please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 65 of this Draft Prospectus   |

**SECTION IV - SUMMARY OF FINANCIAL INFORMATION**

**Restated Statements of Assets and Liabilities**

(₹ in Lakhs)

| Particulars                             | Notes | As at<br>March 31st, 2024 | As at<br>March 31st, 2023 | As at<br>March 31st, 2022 |
|---|-------|---------------------------|---------------------------|---------------------------|
| <b><u>I. EQUITY AND LIABILITIES</u></b> |       |                           |                           |                           |
| <b>(1) Shareholder's Fund</b>           |       |                           |                           |                           |
| (a) Share Capital                       | 4     | 472.50                    | 135.00                    | 27.00                     |
| (b) Reserves & Surplus                  | 5     | 183.72                    | 341.85                    | 311.25                    |
| <b>Total Shareholder's Fund</b>         |       | <b>656.22</b>             | <b>476.85</b>             | <b>338.25</b>             |
| <b>(2) Non-Current Liabilities</b>      |       |                           |                           |                           |
| <b>(3) Current Liabilities</b>          |       |                           |                           |                           |
| (a) Short Term Borrowings               | 6     | -                         | 2.65                      | 4.10                      |
| (b) Other Current Liabilities           | 7     | 3.37                      | 21.57                     | 11.88                     |
| (c) Short term Provisions               | 8     | 0.45                      | 0.50                      | 8.97                      |
| <b>Total Current Liabilities</b>        |       | <b>3.82</b>               | <b>24.72</b>              | <b>24.95</b>              |
| <b>Total Equity and Liabilities</b>     |       | <b>660.04</b>             | <b>501.57</b>             | <b>363.20</b>             |
| <b><u>II. ASSETS</u></b>                |       |                           |                           |                           |
| <b>(1) Non-Current Assets</b>           |       |                           |                           |                           |
| (a) Property, Plant and Equipment       | 9     | 74.61                     | 64.45                     | 44.91                     |
| (b) Non-Current Investments             | 10    | 456.01                    | 168.46                    | 38.00                     |
| (c) Deferred tax assets                 | 23(b) | 0.04                      | 3.71                      | 0.80                      |
| (d) Other non-current assets            | 11    | -                         | -                         | 18.45                     |
| <b>Total Non-Current Assets</b>         |       | <b>530.65</b>             | <b>236.62</b>             | <b>102.16</b>             |
| <b>(2) Current Assets</b>               |       |                           |                           |                           |
| (a) Current Investments                 | 12    | 92.45                     | 133.06                    | 94.03                     |
| (b) Trade Receivables                   | 13    | 0.39                      | 29.00                     | -                         |
| (c) Cash and Cash Equivalents           | 14    | 21.55                     | 51.98                     | 158.13                    |
| (d) Short Term Loans & Advances         | 15    | 2.97                      | 40.72                     | 5.81                      |
| (e) Other Current Assets                | 16    | 12.03                     | 10.19                     | 3.07                      |
| <b>Total Current Assets</b>             |       | <b>129.39</b>             | <b>264.95</b>             | <b>261.04</b>             |
| <b>Total Assets</b>                     |       | <b>660.04</b>             | <b>501.57</b>             | <b>363.20</b>             |

**Restated Statement of Profit and Loss**

(₹ in Lakhs)

| <b>Particulars</b>  | <b>Notes</b> | <b>As at<br/>March 31st, 2024</b> | <b>As at<br/>March 31st, 2023</b> | <b>As at<br/>March 31st, 2022</b> |
|---|--------------|-----------------------------------|-----------------------------------|-----------------------------------|
| I. Revenue from Operations                                    | 17           | 205.08                            | 137.58                            | 185.89                            |
| II. Other Income  | 18           | 101.87                            | 65.87                             | 2.30                              |
| <b>III. Total Income (I+II)</b>                               |              | <b>306.95</b>                     | <b>203.45</b>                     | <b>188.19</b>                     |
| <b>IV. Expenses</b>   |              |                                   |                                   |                                   |
| Employee Benefits Expenses                                    | 19           | 25.32                             | 12.18                             | 1.50                              |
| Finance Costs   | 20           | -                                 | 0.01                              | 0.01                              |
| Depreciation and Amortisation Expenses                        | 39           | 1.14                              | -                                 | -                                 |
| Other Expenses  | 21           | 39.22                             | 15.82                             | 13.28                             |
| <b>Total Expenses</b>   |              | <b>65.68</b>                      | <b>28.01</b>                      | <b>14.80</b>                      |
| <b>Profit Before Tax</b>                                      |              | <b>241.27</b>                     | <b>175.44</b>                     | <b>173.40</b>                     |
| <b>Income Tax Expense</b>                                     |              |                                   |                                   |                                   |
| Current Year  |              | 50.95                             | 41.81                             | 50.25                             |
| Earlier Year  |              | 3.47                              | (2.06)                            | -                                 |
| Deferred tax  |              | 3.67                              | (2.91)                            | (0.76)                            |
| <b>Profit After Tax</b>                                       |              | <b>183.17</b>                     | <b>139.39</b>                     | <b>123.91</b>                     |
| <b>Earnings per equity share of face value of Rs. 10 each</b> |              |                                   |                                   |                                   |
| Basic EPS (In Rs.) (not annualized)                           | 22           | 3.88                              | 2.95                              | 10.42                             |
| Diluted EPS (In Rs.) (not annualized)                         | 25           | 3.88                              | 2.95                              | 10.42                             |

**Restated Cash Flow Statement**

(Rs. in Lakhs)

|           | <b>Particulars</b>  | <b>Year ended<br/>March 31st, 2024</b> | <b>Year ended<br/>March 31st, 2023</b> | <b>Year ended<br/>March 31st, 2022</b> |
|-----------|---|--|--|--|
| <b>A:</b> | <b>Cash Flow from Operating Activities:</b>                       |  |  |  |
|           | Net Profit Before Tax as per Statement of Profit and Loss         | 241.27                                 | 175.44                                 | 173.40                                 |
|           | Adjusted for:   |  |  |  |
|           | Profit on Sale of Assets (net)                                    | (9.00)                                 | -                                      | -                                      |
|           | Dividend  | (1.72)                                 | (2.16)                                 | (0.26)                                 |
|           | Depreciation  | 1.14                                   | -                                      | -                                      |
|           | Interest Income   | (1.05)                                 | (5.21)                                 | (0.36)                                 |
|           | Finance Costs   |  |  |  |
|           | <b>Operating Profit before Working Capital Changes</b>            | <b>230.64</b>                          | <b>168.07</b>                          | <b>172.78</b>                          |
|           | <b>Changes in working capital:</b>                                |  |  |  |
|           | Trade and Other Receivables                                       | 28.61                                  | (29.00)                                | -                                      |
|           | Other Current assets  | (1.84)                                 | (7.12)                                 | (2.17)                                 |
|           | Short Term Loans and Advances                                     | 37.75                                  | (34.91)                                | (5.81)                                 |
|           | Other Current Liabilities   | (17.70)                                | 9.69                                   | 11.88                                  |
|           | Short Term Provisions   | (0.05)                                 | (8.47)                                 | 3.64                                   |
|           | <b>Cash Generated from Operations</b>                             | <b>277.40</b>                          | <b>98.26</b>                           | <b>180.32</b>                          |
|           | Taxes Paid (net)  | (50.95)                                | (41.81)                                | (50.25)                                |
|           | <b>Net Cash from / (Used in) Operating Activities</b>             | <b>226.45</b>                          | <b>56.45</b>                           | <b>130.07</b>                          |
| <b>B:</b> | <b>Cash Flow From Investing Activities:</b>                       |  |  |  |
|           | Purchase/(disposal) of Property, Plant and Equipments             | (10.16)                                | (19.54)                                | -                                      |
|           | Non-Current investment  | (287.55)                               | (130.46)                               | (38.00)                                |
|           | Current investment  | 40.61                                  | (18.51)                                | (92.83)                                |
|           | Dividend  | 1.72                                   | 2.16                                   | 0.26                                   |
|           | Interest Income   | 1.15                                   | 5.20                                   | 0.36                                   |
|           | <b>Net Cash from / (Used in) Investing Activities</b>             | <b>(254.22)</b>                        | <b>(161.16)</b>                        | <b>(130.21)</b>                        |
| <b>C:</b> | <b>Cash Flow From Financing Activities:</b>                       |  |  |  |
|           | Securities Premium  | -                                      | -                                      | 135.00                                 |
|           | Proceeds from Issue of Equity Shares                              | -                                      | -                                      | 18.00                                  |
|           | Short Term Borrowings (net)                                       | (2.65)                                 | (1.45)                                 | 3.60                                   |
|           | Share Capital Issue Expenses                                      | -                                      | -                                      | -                                      |
|           | Finance Costs   | -                                      | 0.01                                   | 0.01                                   |
|           | <b>Net Cash from / (Used in) Financing Activities</b>             | <b>(2.65)</b>                          | <b>(1.44)</b>                          | <b>156.61</b>                          |
| <b>D</b>  | <b>Net (Decrease) / Increase in Cash and Cash<br/>Equivalents</b> | <b>(30.42)</b>                         | <b>(106.15)</b>                        | <b>156.47</b>                          |
| <b>E</b>  | <b>Opening Balance of Cash and Cash<br/>Equivalents</b>           | <b>51.98</b>                           | <b>158.13</b>                          | <b>1.66</b>                            |
| <b>F</b>  | <b>Closing Balance of Cash and Cash<br/>Equivalents</b>           | <b>21.55</b>                           | <b>51.97</b>                           | <b>158.13</b>                          |

**Reconciliation of cash and cash equivalents as per the cash flow statement**

Cash and cash equivalents as per the above comprise of the following:

|   |              |              |               |
|---|--------------|--------------|---------------|
| Cash on Hand  | 2.15         | 0.22         | 0.32          |
| Balances with Banks in Current Accounts   |              | 51.76        | 157.81        |
|   | 19.40        |              |               |
| <b>Cash and Cash Equivalents [Refer note 12]</b>                                  | <b>21.55</b> | <b>51.98</b> | <b>158.13</b> |
| <b>Cash and Cash Equivalents for the purpose of above statement of cash flows</b> | <b>21.55</b> | <b>51.98</b> | <b>158.13</b> |

**Notes:**

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in AS 3, Issued by Institute of Chartered Accountants of India.
2. Figures in bracket indicate cash outflow.



## SECTION IV - CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

| Sr. No. | Particulars  | Aggregate Value at Face Value | Aggregate Value at Offer Price <sup>(4)</sup> |
|---------|--|-------------------------------|---|
| A.      | <b>Authorized Share Capital</b>  |                               |   |
|         | 70,00,000 Equity Shares of face value of ₹10.00 each   | 700.00                        | -   |
| B.      | <b>Issued, Subscribed and Paid-Up Equity Capital before the Offer</b>  |                               |   |
|         | 47,25,000 Equity Shares of face value of ₹10.00 each   | 472.50                        | -   |
| C.      | <b>Present Offer in terms of this Draft Prospectus</b>   |                               |   |
|         | Offer of up to 15,30,000 Equity Shares of face value of ₹10.00 each <sup>(1)</sup>   | 153.00                        | [●]   |
|         | <i>Which Comprises of:</i>   |                               |   |
|         | Fresh Issue of up to 9,70,000 Equity Shares  | 97.00                         | [●]   |
|         | Offer for Sale of up to 5,60,000 Equity Shares <sup>(2)</sup>  | 56.00                         | [●]   |
|         | <i>Of which:</i>   |                               |   |
|         | Up to [●] Equity Shares of face value of ₹10.00 each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion | <b>7.80</b>                   | [●]   |
|         | Net Offer to Public of up to [●] Equity Shares of ₹10.00 each at a price of ₹ [●] per Equity Share to the Public           | <b>145.20</b>                 | [●]   |
|         | <i>Of which</i> <sup>(3)</sup>   |                               |   |
|         | Allocation to Retail Individual Investors of up to [●] Equity Shares   | <b>72.60</b>                  | [●]   |
|         | Allocation to other than Retail Individual Investors of up to [●] Equity Shares  | <b>72.60</b>                  | [●]   |
| D.      | <b>Paid-up Equity Capital after the Offer</b>  |                               |   |
|         | Up to 56,95,000 Equity Shares of face value of ₹10.00 each   | 569.50                        | -   |
| E.      | <b>Securities Premium Account</b>  |                               |   |
|         | Before the Offer   |                               | Nil   |
|         | After the Offer  |                               | [●]   |

### 12. Shareholding of our Promoters

As on the date of this Draft Prospectus, our Promoters hold 99.97% of the pre-Offered, subscribe and paid-up Equity Share Capital of our Company.

Build-up of the shareholding of our Promoters in our Company since incorporation:

| Date of Allotment / Transfer    | Nature of Offer/ Transaction | Nature of Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | FV (₹) | Acquisition/ Transfer Price | % of Pre- Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|---------------------------------|------------------------------|-------------------------|----------------------|---------------------------------|--------|-----------------------------|--------------------------------------|---------------------------------------|
| <b>Mr. Rajesh Kumar Sodhani</b> |                              |                         |                      |                                 |        |                             |                                      |                                       |
| Upon Incorporation              | Subscription to MO           | Cash                    | 5,000                | 5,000                           | 10.00  | 10.00                       | 0.11                                 | [●]                                   |

|                                 |                                |                 |                  |           |       |       |               |     |
|---------------------------------|--------------------------------|-----------------|------------------|-----------|-------|-------|---------------|-----|
| February 21, 2022               | Right Issue                    | Cash            | 1,00,000         | 1,05,000  | 10.00 | 85.00 | 2.12          | [●] |
| July 22, 2022                   | Bonus Issue                    | Other than Cash | 4,20,000         | 5,25,000  | 10.00 | NA    | 8.89          | [●] |
| June 27, 2023                   | Bonus Issue                    | Other than Cash | 13,12,500        | 18,37,500 | 10.00 | NA    | 27.78         | [●] |
| <b>Mrs. Priya Sodhani</b>       |                                |                 |                  |           |       |       |               |     |
| Upon Incorporation              | Subscription to MO             | Cash            | 5,000            | 5,000     | 10.00 | 10.00 | 0.11          | [●] |
| February 21, 2022               | Right Issue                    | Cash            | 80,000           | 85,000    | 10.00 | 85.00 | 1.69          | [●] |
| July 22, 2022                   | Bonus Issue                    | Other than Cash | 3,40,000         | 4,25,000  | 10.00 | NA    | 7.20          | [●] |
| June 27, 2023                   | Bonus Issue                    | Other than Cash | 10,62,500        | 14,87,500 | 10.00 | NA    | 22.49         | [●] |
| <b>Rajesh Kumar Sodhani HUF</b> |                                |                 |                  |           |       |       |               |     |
| September 29, 2009              | Acquisition by way of Transfer | Cash            | 80,000           | 80,000    | 10.00 | 10.00 | 1.69          | [●] |
| July 22, 2022                   | Bonus Issue                    | Other than Cash | 3,20,000         | 4,00,000  | 10.00 | N.A   | 6.77          | [●] |
| June 27, 2023                   | Bonus Issue                    | Other than Cash | 9,99,000         | 13,98,600 | 10.00 | N.A   | 21.14         | [●] |
| <b>Total</b>                    |                                |                 | <b>47,23,600</b> |           |       |       | <b>99.97%</b> | [●] |

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

\* to be updated in the prospectus prior to filing with RoC

“Following table has been inserted in **Point 12** under the heading **Shareholding of our Promoters.**”

**1. Details of Acquisition\* (through the Share Purchase Agreement) by Rajesh Kumar Sodhani**

| Sr. no. | Name of Transferor                         | Date of Transfer   | No. of shares transferred |
|---------|--|--------------------|---------------------------|
| 1.      | Euro Asia Mercantile Private Limited       | September 29, 2009 | 16,000                    |
| 2.      | Lotus Realcon Private Limited              | September 29, 2009 | 16,000                    |
| 3.      | Mani Mala Delhi Properties Private Limited | September 29, 2009 | 16,000                    |
| 4.      | Shalini Holding Limited                    | September 29, 2009 | 16,000                    |
| 5.      | Ad Fin Capital Services(I) Private Limited | September 29, 2009 | 16,000                    |

**2. Details of Sell\* (through the Share Purchase Agreement) by Euro Asia Mercantile Private Limited**

| Sr. no. | Name of Transferee   | Date of Transfer   | No. of shares transferred |
|---------|----------------------|--------------------|---------------------------|
| 1.      | Rajesh Kumar Sodhani | September 29, 2009 | 16,000                    |

**3. Details of Sell\* (through the Share Purchase Agreement) by Lotus Realcon Private Limited**

| Sr. no. | Name of Transferee   | Date of Transfer   | No. of shares transferred |
|---------|----------------------|--------------------|---------------------------|
| 1.      | Rajesh Kumar Sodhani | September 29, 2009 | 16,000                    |

**4. Details of Sell\* (through the Share Purchase Agreement) by Mani Mala Delhi Properties Private Limited**

| Sr. no. | Name of Transferee   | Date of Transfer   | No. of shares transferred |
|---------|----------------------|--------------------|---------------------------|
| 1.      | Rajesh Kumar Sodhani | September 29, 2009 | 16,000                    |

**5. Details of Sell\* (through the Share Purchase Agreement) by Shalini Holding Limited**

| Sr. no. | Name of Transferee   | Date of Transfer   | No. of shares transferred |
|---------|----------------------|--------------------|---------------------------|
| 1.      | Rajesh Kumar Sodhani | September 29, 2009 | 16,000                    |

**6. Details of Sell\* (through the Share Purchase Agreement) by Ad Fin Capital Services (I) Private Limited**

| Sr. no. | Name of Transferee   | Date of Transfer   | No. of shares transferred |
|---------|----------------------|--------------------|---------------------------|
| 1.      | Rajesh Kumar Sodhani | September 29, 2009 | 16,000                    |

*\* The Share Transfer Dees for the above mentioned transfers are not available. The same has been verified through minutes book, share transfer registers and annual returns of the company*

**7. Details of Sell (through the Share Purchase Agreement) by Rajesh Kumar Sodhani**

| Sr. no. | Name of Transferee      | Date of Transfer  | No. of shares transferred |
|---------|-------------------------|-------------------|---------------------------|
| 1.      | Kailash Chandra Sodhani | February 09, 2023 | 100                       |
| 2.      | Ganga Devi Sodhani      | February 09, 2023 | 100                       |
| 3.      | Komal Nazwani           | February 09, 2023 | 100                       |
| 4.      | Dropdadi Devi Nazwani   | February 09, 2023 | 100                       |

**8. Details of Acquisition (through the Share Purchase Agreement) by Kailash Chandra Sodhani**

| Sr. no. | Name of Transferor   | Date of Transfer  | No. of shares transferred |
|---------|----------------------|-------------------|---------------------------|
| 1.      | Rajesh Kumar Sodhani | February 09, 2023 | 100                       |

**9. Details of Acquisition (through the Share Purchase Agreement) by Ganga Devi Sodhani**

| Sr. no. | Name of Transferor   | Date of Transfer  | No. of shares transferred |
|---------|----------------------|-------------------|---------------------------|
| 1.      | Rajesh Kumar Sodhani | February 09, 2023 | 100                       |

**10. Details of Acquisition (through the Share Purchase Agreement) by Komal Nazwani**

| Sr. no. | Name of Transferor   | Date of Transfer  | No. of shares transferred |
|---------|----------------------|-------------------|---------------------------|
| 1.      | Rajesh Kumar Sodhani | February 09, 2023 | 100                       |

**11. Details of Acquisition (through the Share Purchase Agreement) by Dropdadi Devi Nazwani**

| Sr. no. | Name of Transferor   | Date of Transfer  | No. of shares transferred |
|---------|----------------------|-------------------|---------------------------|
| 1.      | Rajesh Kumar Sodhani | February 09, 2023 | 100                       |

## 18. Promoter's Contribution and Lock-in details

### Details of Promoters' Contribution locked-in for three (3) years

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20.00% of the post Offer Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of allotment in this Offer. As on date of this Draft Prospectus, our Promoters collectively hold up to 47,23,600 Equity Shares constituting 99.97% of the Pre Offered Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoters' Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.00% of the post Offer Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified below.

Details of the Equity Shares forming part of Promoters' Contribution and their lock-in details are as follows:

| Name of Promoter         | Date of Allotment/Acquisition & when made fully paid up | No of Equity shares | No of Equity shares locked in | Face Value (in ₹) | Offer Price (in ₹) | Nature of Allotment | % Of Post-Offer Paid-up Capital | Lock-in Period |
|--------------------------|---|---------------------|-------------------------------|-------------------|--------------------|---------------------|---------------------------------|----------------|
| Mr. Rajesh Kumar Sodhani | June 27, 2023   | 3,80,000            | 3,80,000                      | 10                | [●]                | Bonus issue         | [●]                             | 3 years        |
| Mrs. Priya Sodhani       | June 27, 2023   | 3,80,000            | 3,80,000                      | 10                | [●]                | Bonus issue         | [●]                             | 3 years        |
| Rajesh Kumar Sodhani HUF | June 27, 2023   | 3,80,000            | 3,80,000                      | 10                | [●]                | Bonus issue         | [●]                             | 3 years        |
| <b>Total</b>             | -   | -                   | 11,40,000                     | -                 | -                  | -                   | -                               | 3 years        |

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI ICDR Regulations. In this computation, as per Regulation 237 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- Equity Shares acquired three years preceding the date of this Draft Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution.
- The Equity Shares acquired during the year preceding the date of this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer is not part of the minimum promoters' contribution;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge or any other form of encumbrances.
- Specific written consent has been obtained from the Promoters for inclusion of [●] Equity Shares for ensuring lock-in of three years to the extent of minimum 20.00% of post Offer Paid-up Equity Share Capital from the date of allotment in the public Offer.
- The minimum Promoters' Contribution consists of Equity Shares allotted to the promoters against the capital for a period of more than one year on a continuous basis.
- The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoter under the SEBI ICDR Regulations.

- We further confirm that our Promoters' Contribution of minimum 20% of the Post Offer Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

### **Equity Shares locked-in for one year other than Minimum Promoters' Contribution**

Pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Offer [●] Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Offer. However, it should be noted that the Offered Shares which will be transferred by the Selling Shareholders pursuant to the Offer for Sale shall not be subject to lock-in.

### **Inscription or recording of non-transferability**

In terms of Regulation 241 of the SEBI ICDR Regulations, 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 cases 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 our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Offer and pledge of equity shares is one of the terms of sanction of the loan;
- if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

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

### *Transferability of Locked in Equity Shares*

- Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
- Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

**SECTION V – PARTICULARS OF THE OFFER****OBJECT OF THE OFFER****PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS**

The Net Proceeds of the Fresh Issue are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in Lakhs)

| Sr. No. | Object of the Fresh Issue  | Amount to be financed from Net Proceeds | Estimated Utilization of Net Proceeds in F. Y. 2024-25 |
|---------|--|---|--|
| 1.      | Building content Studio and Offline training infrastructure      | 80.00                                   | 80.00  |
| 2.      | Information Technology (Hardware including Software) Procurement | 60.00                                   | 60.00  |
| 3.      | Content Development for course material                          | 50.00                                   | 50.00  |
| 4.      | Enhancement of brand visibility and awareness                    | 35.00                                   | 35.00  |
| 5.      | Learning Management System (LMS) Application development         | 10.00                                   | 10.00  |
| 6.      | General Corporate Purpose#                                       | [●]                                     | [●]  |
|         | <b>TOTAL</b>   | [●]                                     | [●]  |

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

**DETAILS OF USE OF THE PROCEEDS****1. Building Content Studio and Offline Training Infrastructure**

Content studio and offline training infrastructure will empower our trainers to produce and manage engaging course delivery content. The proposed content studio and offline training infrastructure will offer a range of facilities like recording, editing, designing, live streaming & delivery of various types of content. Studio and offline training infrastructure for content creation and course delivery will help us to create an immersive and impactful learning environment that facilitates the effective development of financial literacy skills for learners. The offline training infrastructure will include session rooms where content and session delivery can be imparted to the learners in offline mode also.

Our company proposes to build our second content studio and offline training infrastructure at one more location at Jaipur in addition to our existing content studio and offline training infrastructure located at Basement Floor of our registered office situated at P No. C 373, First Floor, C Block, Vaishali Nagar, Jaipur-302021, Rajasthan, India. The management of our company is in the process of identifying the suitable location in the city of Jaipur based on various business matrix such as locational advantages and cost. However, our company has not entered any formal agreement as of now.

In order to set up the Content studio and Offline Training infrastructure, we plan to allocate upto ₹ 80.00 Lakhs from the Net Proceeds of Fresh Issue. The estimated expenditure of setting up the Content studio and Offline Training infrastructure is based on quotation (Turnkey basis-validity for 6 months) received from M/s S.K Interiors, Jaipur as mentioned below:

(₹ in Lakhs)

| Sr. No | Particulars   | Deployment FY 24-25 | Total Amount |
|--------|---|---------------------|--------------|
| 1.     | Civil work:<br>4000sqft x 1040Rs/sqft                 | 41.60               | 41.60        |
|        | False ceiling work:<br>4000sqft x 130rs/sqft          | 5.20                | 5.20         |
|        | Doors and Partitions:<br>2500 sqft x 200 rs/sqft      | 5.00                | 5.00         |
|        | Flooring work:<br>4000sqft x 100rs/sqft               | 4.00                | 4.00         |
|        |   | 3.00                | 3.00         |
|        |   | 9.00                | 9.00         |
| 2.     | Interiors and Fixtures:<br>Air Conditioning -10 units | 5.00                | 5.00         |
|        | Wooden work:<br>1500 sqft x 600 rs/sqft               | 3.20                | 3.20         |
|        | Furniture:<br>Water proof with modular fittings       |                     |              |
|        | Glass work:<br>800 sqft x 400 rs/sqft                 | 4.00                | 4.00         |
| 3.     | Electrical infrastructure:<br>4000 sqft x 100 rs/sqft |                     |              |
|        | <b>Total</b>  | <b>80.00</b>        | <b>80.00</b> |

## 2. Information Technology (Hardware including Software) Procurement

Building robust Information Technology (Hardware and Software) Infrastructure is critical to the delivery of our business. A robust Information Technology Infrastructure will enable us to effectively create and deliver content in our domain and also help us to scale up our business in both online and offline mode. Our Company has earmarked an amount of upto ₹ 60.00 Lakhs out of the Net Proceeds of Fresh Issue for building the purchase of Computer / Laptops and other hardware and software.

(₹ in Lakhs)

| Sr. No | Details of Hardware including Software Procurement                             | Quotation received from | Validity | Total Deployment FY24-25 | Total        |
|--------|--|-------------------------|----------|--------------------------|--------------|
| 1.     | Laptops<br>(Model: Dell<br>INSPIRON<br>13 <sup>th</sup> gen 3530)<br>(Nos: 36) | Shri Shyam<br>Computers | 6 Months | 26.00                    | 26.00        |
| 2.     | I5 12 <sup>th</sup> gen<br>Intel 24" LED IPS<br>Display<br>(Nos: 45)           |                         |          | 34.00                    | 34.00        |
|        | <b>Total</b>   |                         |          | <b>60.00</b>             | <b>60.00</b> |

### 3. Content Development for course material

We are in the business of providing learning, training and consultancy solutions to students, graduates (collectively "Students"), professionals, non-working individuals and homemakers, (collectively "Learners") in the domain of financial literacy and financial market.

Comprehensive, relevant and contemporary content is the core asset of our business delivery. Dynamic content is important to create financial knowhow among the learners which will ultimately help us achieve the objective of our business of financial literacy and awareness. Our portfolio encompasses content and delivery related to equity market, mutual funds' investments, financial planning and content deliveries aimed towards creating awareness among investors. In the past, our content material has been developed by our internal teams. We have delivered learning sessions on 10 major themes and intend to enhance our delivery portfolio to more than 30 contemporary subjects, in different domain like mutual fund awareness, stock market trading, technical charts and fundamental analysis and likewise. Going further, in order to expand our content portfolio, we would be empaneling external subject experts for developing course content on project basis.

We intend to utilize a part of the Net Proceeds of Fresh Issue towards extending our course delivery portfolio. The proposed course and content portfolio will be developed by experienced professionals having in depth knowledge in the specific subject context. Our company will onboard/appoint these experienced professional on project basis under a MOU/letter of interest. Based on our past experience regarding cost for developing such delivery content and course collaterals, the average cost charged by the course creators/professional is estimated to be between Rs.4.00-5.00 lakhs per content/course. As per the estimates based on our expansion strategy for next 12-18 months, we would be developing course content/material for 12 topics/subjects. Accordingly the cost of expanding our course portfolio is estimated to be ₹ 50.00 Lakh, which will be utilized from the issue proceeds.

| Sr. No. | Particulars   | Average cost of course Creation<br>(₹ in Lakhs) | Estimated Utilization of Net Proceeds in F. Y. 2024-25<br>(₹ in Lakhs) |
|---------|---|---|--|
| 1.      | Development of course and content portfolio.<br>(Estimated number of course content/material to be developed: 12) | 4.00- 5.00                                      | 50.00  |

As on the date of this offer document, our company has not entered into any MOUs with content developers. The actual cost of any content development varies on factors such as volume of the content, subject/theme and depth of delivery. Our management plans to allocate ₹ 50 lakhs from the Net Offer proceeds to be utilized for the aforesaid object.

### 4. Enhancement of brand visibility and awareness

The primary objective of our company is to foster knowledge dissemination among our target students and learners in the domain of finance and related subjects. To effectively reach our intended audience, it is imperative for us to augment our brand visibility and cultivate awareness about financial literacy as an independent discipline. To achieve these goals, we have formulated a strategy encompassing the creation and dissemination of audio, print, and visual advertisements through diverse media channels. Additionally, we plan to develop branded merchandise for our team participants, thereby enhancing the value of our brand. Moreover, we recognize the criticality of digital media outreach in our company's operations and brand-building endeavors. Consequently, a portion of the net proceeds will be allocated to various marketing avenues. In light of the pervasive online presence of individuals, maintaining a consistent, active, and engaging online media presence is of paramount importance. Along with building our online presence we also want to create our brand recognition via conventional and offline channels.

The Company plans to earmark upto ₹ 35.00 Lakhs towards the expenditure for enhancing visibility and awareness. Our company has received quotations for respective heads of the expenditure as per the details herewith. The overall budget for brand visibility and awareness is based on management estimates as per our nature of business and business strategy plan.

(₹ in Lakhs)

| Sr. No | Particulars | Quotation received from | Valid till | Deployment<br>FY 24-25 | Total amount |
|--------|-------------|-------------------------|------------|------------------------|--------------|
|--------|-------------|-------------------------|------------|------------------------|--------------|



|    |   |  |                       |               |               |
|----|---|--|-----------------------|---------------|---------------|
| 1. | Social Media Marketing and Paid Promotion                   | E Sage IT Services Private Limited     | July 31, 2024         | 6.42          | 6.42          |
| 2. | Printing of merchandise and marketing material              | Maheshwari Garments and Triveni Cards  | July 31, 2024         | 14.32         | 14.32         |
| 3. | Print media advertisement including newspaper and magazines | Sunjeet Communications Private Limited | Till further revision | 4.80          | 4.80          |
| 4. | FM commercials  | Kore Media Services                    | Till further revision | 9.45          | 9.45          |
|    | <b>TOTAL</b>  |  |                       | <b>35.00*</b> | <b>35.00*</b> |

\*Rounded off to nearest whole number.

## 5. Learning Management System Application development

Our Company implements a hybrid mode of course delivery incorporating both Online and Offline element. Furthermore, we firmly believe that establishing a digital presence is essential for the success of our business model. In order to effectively engage with our potential and existing students and learners through a digital interface, we intend to allocate upto ₹ 10.00 Lakhs towards integrating our existing website ([www.safefintech.in](http://www.safefintech.in)) with a Learning Management System Application (LMS). LMS would be a customized application to cater for wide diversity of users from School Students to Working professionals. The LMS would be crucial for expanding our footprint and facilitating unique Learner- Instructor experience.

Few salient features of the proposed LMS application are:

- Maintaining online records for post training services.
- Maintaining data base of learners.
- Generating leads for onboarding new learners.
- Generating reports for management decision making.

The estimated budget for customization and integration of LMS with our existing website is based on quotation received from respective vendors.

(₹ in Lakhs)

| Sr. No | Particulars  | Quotation received from                             | Valid till    | Deployment<br>FY 24-25 | Total Amount |
|--------|--|---|---------------|------------------------|--------------|
| 1.     | LMS Application development                          | Sowere Technologies and Innovations Private Limited | July 31, 2024 | 8.40                   | 8.40         |
| 2.     | Website updation and integration of LMS with Website | Sowere Technologies and Innovations Private Limited | July 31, 2024 | 1.60                   | 1.60         |
|        | <b>TOTAL</b>   |   |               | <b>10.00</b>           | <b>10.00</b> |

**Other Confirmations**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and 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 and senior management except in the normal course of business and in compliance with the applicable laws.

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

## BASIS OF OFFER PRICE

### QUANTITATIVE FACTOR

The information presented in this chapter is derived from company's Restated Financial for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Indian GAAP. For more details on financial information, investors please refer the chapter titled "Restated Financial Statements" beginning on page 139 of the Draft Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

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

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting for the effects of all dilutive potential equity shares}}$$

| Particulars             | Basic & Diluted EPS (in ₹) | Weights |
|-------------------------|----------------------------|---------|
| March 31, 2022          | 10.42                      | 1       |
| March 31, 2023          | 2.95                       | 2       |
| March 31, 2024          | 3.88                       | 3       |
| <b>Weighted Average</b> | <b>4.66</b>                |         |

Notes:

- i. The figures disclosed above are based on the restated financial statements of the Company. The face value of each Equity Share is ₹10.00.
- ii. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in financials Information" beginning on page no.139 this Draft Prospectus.

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

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Offer Price}}{\text{Restated Earnings Per Share}}$$

| Particulars   | P/E (number of times) |
|---|-----------------------|
| <b>Based on Restated Financial Statements – Post Bonus</b>                                |                       |
| P/E ratio based on the Basic & Diluted EPS, as restated for period ended November 30,2023 | [●]                   |
| P/E ratio based on the Weighted Average Basic & Diluted EPS                               | [●]                   |

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

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Standalone Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} * 100$$

| Particulars             | RONW (%)      | Weights |
|-------------------------|---------------|---------|
| March 31, 2022          | 36.63         | 1       |
| March 31, 2023          | 29.23         | 2       |
| March 31, 2024          | 27.91         | 3       |
| <b>Weighted Average</b> | <b>29.80%</b> |         |

Note: The RoNW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.

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

Restated Net Asset Value per equity share (₹) =  $\frac{\text{Restated Standalone Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$

| Financial Year  | NAV (₹) |
|---|---------|
| March 31, 2022  | 28.45   |
| March 31, 2023  | 10.09   |
| March 31, 2024  | 13.89   |
| Net Asset Value per Equity Share after the Offer at Offer Price | [●]     |
| Offer Price   | [●]     |

#### 8. Key Performance Indicators of our Company

(₹. in lakhs)

| Particulars   | Fiscal 2024 | Fiscal 2023 | Fiscal 2022 |
|---|-------------|-------------|-------------|
| Revenue from Operations   | 205.08      | 137.58      | 185.89      |
| EBITDA <sup>(1)</sup>   | 241.27      | 175.44      | 173.40      |
| EBITDA Margin (%) <sup>(2)</sup>                                | 117.65%     | 127.52%     | 93.29%      |
| Restated profit for the period / year                           | 183.17      | 139.39      | 123.91      |
| Restated profit for the period / year Margin (%) <sup>(3)</sup> | 89.32%      | 101.32%     | 66.66%      |
| Return on Average Equity ("RoAE") (%) <sup>(4)</sup>            | 32.33%      | 34.01%      | 62.02%      |
| Return on Capital Employed ("RoCE") (%) <sup>(5)</sup>          | 36.77%      | 36.79%      | 51.27%      |
| Net Debt / EBITDA Ratio   | -           | 0.01        | 0.01        |

*Notes:*

<sup>(1)</sup> EBITDA is calculated as restated profit for the period / year plus tax expense plus depreciation and amortization plus finance costs plus exceptional items.

<sup>(2)</sup> EBITDA Margin is calculated as EBITDA divided by revenue from operations excluding other Income.

<sup>(3)</sup> Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations excluding other Income.

<sup>(4)</sup> RoAE is calculated as Net profit after tax divided by Average Equity.

<sup>(5)</sup> RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed

## SECTION VI – ABOUT THE COMPANY

### OUR BUSINESS

Key Performance Indicators of our Company:

(₹ in Lakhs)

| Particulars   | Fiscal 2024 | Fiscal 2023 | Fiscal 2022 |
|---|-------------|-------------|-------------|
| Revenue from Operations   | 205.08      | 137.58      | 185.89      |
| EBITDA <sup>(1)</sup>   | 241.27      | 175.44      | 173.40      |
| EBITDA Margin (%) <sup>(2)</sup>                                | 117.65%     | 127.52%     | 93.29%      |
| Restated profit for the period / year                           | 183.17      | 139.39      | 123.91      |
| Restated profit for the period / year Margin (%) <sup>(3)</sup> | 89.32%      | 101.32%     | 66.66%      |
| Return on Average Equity ("RoAE") (%) <sup>(4)</sup>            | 32.33%      | 34.01%      | 62.02%      |
| Return on Capital Employed ("RoCE") (%) <sup>(5)</sup>          | 36.77%      | 36.79%      | 51.27%      |
| Net Debt / EBITDA Ratio   | -           | 0.01        | 0.01        |

Notes:

<sup>(1)</sup> EBITDA is calculated as restated profit for the period / year plus tax expense plus depreciation and amortization plus finance costs plus exceptional items.

<sup>(2)</sup> EBITDA Margin is calculated as EBITDA divided by revenue from operations excluding other Income.

<sup>(3)</sup> Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations excluding other Income.

<sup>(4)</sup> RoAE is calculated as Net profit after tax divided by Average Equity.

<sup>(5)</sup> RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed..

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 utilisation of the proceeds of the Fresh Issue as per the disclosure made in the section "Objects of the Offer", whichever is later or for such other duration as may be required under the SEBI ICDR Regulations as amended from time to time.

### BRIEF SUMMARY OF SESSIONS AND TRAINING PROGRAMMES DELIVERED OVER THE LAST YEARS

| Sr. No              | Category  | Nos.       | Total number of participants who attended | Average fees per participant (in Rs.) | Amount (in Rs.)    |
|---------------------|---|------------|---|---------------------------------------|--------------------|
| <b>Year 2021-22</b> |   |            |   |                                       |                    |
| 1                   | One day Webinar   | 25         | 196                                       | 750.00                                | 1,47,750           |
| 2                   | Two day Webinar   | 38         | 163                                       | 1700.00                               | 2,80,367           |
| 3                   | Three day Webinar                                       | 42         | 332                                       | 4150.00                               | 13,79,231          |
| 4                   | Short Duration Courses<br>(Duration less than 3 months) | 6          | 552                                       | 12000.00                              | 67,38,740          |
| 5                   | Long Duration Courses<br>(Duration more than 3 months)  | 6          | 55  | 43,400                                | 23,89,092          |
| 6                   | Corporate Training Sessions                             | 4          | -   | -                                     | 5,68,760           |
|                     | <b>Total</b>  | <b>121</b> | <b>1298</b>                               |                                       | <b>1,15,03,940</b> |

| Sr. No              | Category  | Nos.      | Total number of participants who attended | Average fees per participant (in Rs.) | Amount (in Rs)     |
|---------------------|---|-----------|---|---------------------------------------|--------------------|
| <b>Year 2022-23</b> |   |           |   |                                       |                    |
| 1                   | Webinars (Consolidated)                             | 5         | -   | -                                     | 4,23,729           |
| 2                   | Short Duration Courses                              | 5         | 411                                       | 7100.00                               | 24,73,644          |
| 3                   | Long Duration Courses (Duration more than 3 months) | 9         | 280                                       | 21800.00                              | 51,95,593          |
| 4                   | Corporate Training Sessions                         | 4         | -   | -                                     | 56,93,008          |
|                     | <b>Total</b>  | <b>23</b> | <b>691</b>                                |                                       | <b>1,37,85,975</b> |

| Sr. No              | Category   | Nos.       | Total number of participants who attended | Average fees per participant (in Rs.) | Amount (in Rs)     |
|---------------------|--|------------|---|---------------------------------------|--------------------|
| <b>Year 2023-24</b> |  |            |   |                                       |                    |
| 1                   | One day Webinar                                      | 92         | 1502                                      | 1,500.00                              | 22,53,600          |
| 2                   | Two day Webinar                                      | 68         | 528                                       | 2,700.00                              | 14,26,730          |
| 3                   | Three day Webinar                                    | 44         | 515                                       | 5,000.00                              | 25,78,113          |
| 4                   | Short Duration Courses (Duration less than 3 months) | 26         | 364                                       | 22,000.00                             | 80,28,902          |
| 5                   | Long Duration Courses (Duration more than 3 months)  | 6          | 23  | 55,000.00                             | 12,76,922          |
| 6                   | Corporate Training Sessions                          | 18         | -   | -                                     | 49,44,466          |
|                     | <b>Total</b>   | <b>121</b> | <b>2932</b>                               |                                       | <b>2,05,08,734</b> |

## OUR KEY TEAM MEMBERS AND TRAINERS

Our trainers play a crucial role in our offerings in the domain of financial literacy and awareness. They serve as experts who impart knowledge, skills, and guidance to learners.

As on the date of this offer document, our company has a qualified and capable team of following trainers:

| Name                                     | Designation                            | Qualification                         | Course Offering/ Area of Expertise   | Years of Experience |
|--|--|---------------------------------------|--|---------------------|
| Mr Rajesh Kumar Sodhani                  | Managing Director & Senior Trainer     | MBA, SEBI Registered Research Analyst | Financial Planning & Share market trading and Fundamental Analysis for Equity Market Professionals | 32                  |
| Mr Dhiraj Malhotra                       | Professional Director & Senior Trainer | PGDM, CFP, LUTCF, ALMI                | Financial Planning Courses for Mutual Fund and Insurance sector Professionals                      | 29                  |
| Lt Co Sanjay Bhatia (Retd.) <sup>s</sup> | COO & Senior Trainer                   | PGDM, M.Tech, CMT                     | Technical analysis Advance Course for Equity Market Professionals                                  | 12                  |
| Mr. Vineet Singh Rathore <sup>s</sup>    | Trainer                                | BBA                                   | Digital Marketing  | 1                   |
| Mr. Alok Sethi <sup>s</sup>              | Trainer                                | CA                                    | MS Excel (Basic and Advanced)  | 8                   |
| Ms. Archana Sharma <sup>s</sup>          | Trainer                                | Graduate                              | Financial Empowerment For Women  | 4                   |

|                                 |                |                                   |  |    |
|---------------------------------|----------------|-----------------------------------|--|----|
| Ms. Kavita Malpani <sup>§</sup> | Trainer        | MBA                               | Basic Financial planning for Beginners           | 2  |
| Mr. Rajesh Sharma <sup>§</sup>  | Trainer        | Post Graduate RSCIT Diploma (GST) | GST  | 15 |
| Pooja Swami <sup>§</sup>        | Trainer        | M Com RSCIT Diploma (Tally)       | Tally  | 4  |
| Ms RitikaSodhani                | Guest Trainer* | MBA, BBA                          | Financial Planning for Students andHomemakers    | 6  |
| Mr Sandeep Menghani             | Guest Trainer* | PGDM, B.Sc.                       | Financial Planning With Mutual fundand Insurance | 22 |
| Mr Atul JGaikwad                | Guest Trainer* | PGDM, CFP                         | Retirement Planning                              | 23 |
| Mr Sandipon Purkaystha          | Guest Trainer* | PGDM, LUTCF                       | Financial Planning With Mutual fundand Insurance | 21 |
| Mr Pawan Sharma                 | Guest Trainer* | PGDM, LUTCF                       | Financial Planning With Mutual fundand Insurance | 27 |
| Mr Sreejith S                   | Guest Trainer* | BBA, LUTCF                        | Retirement Planning                              | 17 |
| Mr Vineet Kumar                 | Guest Trainer* | B.Sc                              | Retirement Planning                              | 27 |

\*Guest trainers are invited/empanel for specific sessions against session fees. They are not associated/employed with us on full time basis

<sup>§</sup>Under professional engagement/incentive based model

## HUMAN RESOURCE

As a company involved in imparting training and awareness initiatives in the field of financial literacy, human resources are an important factor. We consider our human resource as a critical factor to our success and engage in a human resource strategy that focuses on recruiting, training and retaining our employees, as well as offering them competitive compensation. As on date of this offer document we have 8 full time trainers and subject experts and we engage with subjectspecific trainers on specific theme and sessions. In future, we will meet our human resource need namely the trainers, through a mix of full-time employment and session specific engagement.

As on date of this offer document, we have 12 full-time employees on our payroll and 7 expert trainers under professional engagement model.

Our employees are divided into different functions:

| Function                          | Number | Name of our employees   |
|-----------------------------------|--------|---|
| Trainers                          | 8      | 1. Mr Rajesh Kumar Sodhani<br>2. Lt Col Sanjay Bhatia(Retd)*<br>3. Mr Dhiraj Malhotra <sup>§</sup><br>4. Mr. Vineet Singh Rathore <sup>§</sup><br>5. Mr. Alok Sethi <sup>§</sup><br>6. Ms. Archana Sharma <sup>§</sup><br>7. Ms. Kavita Malpani <sup>§</sup><br>8. Mr. Rajesh Sharma <sup>§</sup> |
| Business Development and Strategy | 3      | 1. Mr. Dinesh Saboo<br>2. Mr. Anurag Narayanan<br>3. Ms. Harshita Maheshwari  |
| Company Secretary                 | 1      | 1. Ms Monika Agarwal  |
| Accounting and Finance            | 3      | 1. Ms Deepti Maheshwari<br>2. Ms. Kritika Malani<br>3. Ms Priyanka Aggarwal   |
| Office Admin                      | 3      | 1. Mr. Ajay<br>2. Mr. Mohit Khandelwal<br>3. Mr. Vinod Prajapat   |
| IT and Marketing                  | 1      | 1. Mr. Ankit Tinker   |

<sup>§</sup>Under professional engagement/incentive based model

## SECTION VII – FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENTS

To,  
The Board of Directors,  
Sodhani Academy of Fintech Enablers Limited  
(formerly known as Sodhani Financial Consultants Private Limited)  
P No. C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021, Rajasthan, India

Dear Sir

1. We have examined attached Restated Statement of Assets and Liabilities of Sodhani Academy of Fintech Enablers Limited (“the Company”) formerly known as Sodhani Financial Consultants Private Limited which comprise the Balance Sheet as at March 31, 2024, March 31, 2023 and March 31, 2022 Restated statement of Profit & loss and Restated Statement of Cash flow statement for the period/years ended at March 31, 2024, March 31, 2023 and March 31, 2022 annexed to this report for the purpose of inclusion of draft prospectus and/or prospectus prepared by the company (collectively the “**Restated Summery Statement** “ or “**Restated Financial Statement**”). These Restated Summery Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with its proposed SME initial Public Offerings (IPO) of Equity Shares (“SME IPO”) on relevant Stock Exchange.
2. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“ICDR Regulations”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”)
  - (iii) The Guidance Note on Reports in Company Prospectus (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 Financial Information for the purpose of inclusion in the Draft Offer Document/ Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Mumbai in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation of the Restated Financial Information. The Board of Directors responsibility includes designing implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.
4. We, J C Kabra & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds the peer review certificate dated October 22, 2021 and valid till October 31, 2024. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us
5. We have examined such restated financial statements taking into consideration:
  - (i) The terms of reference and terms of our engagement agreed upon with you in accordance with our letter dated July 05, 2023 in connection with the Draft Offer Document/ Offer Document being issued by the Company for its proposed Initial Public Offering of equity shares on relevant stock exchange (“IPO” or “SME IPO”); and
  - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“Guidance Note”). The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
  - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence



supporting the Restated Financial Information; and

- (iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
6. These Restated Financial Statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on as at March 31, 2024, March 31, 2023 and March 31, 2022 which has been approved by the Board of Directors. The Opening Balance of Reserve and Surplus has been extracted from the Closing Balance of Reserve and Surplus from Restated Financials of 2020-21 of the Company.
7. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
- a) Using consistent accounting policies for all the reporting periods;
  - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate;
  - c) There are no extra-ordinary items other than those appearing in financials that need to be disclosed separately in the accounts and requiring adjustments;
  - d) There are no audit qualifications in the audit reports issued by the us for the period ended year ended March 31,2024, and the statutory auditor for the period ended March 31, 2023 and March 31, 2022 whose report we have considered in the restated financial statement which would require adjustments in these restated financial statements of the Company.
8. Audit for the period ended March 31,2024 & March 31, 2023 were conducted by us, whereas audit for March 31, 2022 were conducted by D Jain & Co. The financial report included for these periods is based solely on the report submitted by D Jain & Co. for March 31, 2022.
9. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the year ended on March 31, 2024, 2023 and 2022 proposed to be included in the Draft Offer Document/ Offer Document.

Annexure to restated financial statements of the Company:

1. Restated statement of assets and liabilities, as restated;
2. Restated statement of profit and loss, as restated;
3. Restated statement of cashflow as restated;
4. Restated significant accounting policies and notes to accounts:
5. Share capital as restated;
6. Reserves and surplus as restated;
7. Short-term borrowings as restated;
8. Other current liabilities as restated;
9. Short-term provisions as restated;
10. Property, Plant & Equipment as restated;
11. Non-current investment as restated;
12. Other Non-Current Assets restated;
13. Current Investment;
14. Trade receivables as restated;
15. Cash & cash equivalents as restated;
16. Short-term loans & advances as restated;
17. Other current assets as restated;
18. Revenue from operations as restated;
19. Other income as restated;
20. Employees benefit expenses as restated;
21. Finance cost as restated;
22. Other expenses as restated;
23. Earnings per share (EPS) as restated;
24. Related party transactions as restated;

25. Tax shelter as restated;
  26. Deferred Tax Assets as restated;
  27. Statement of accounting ratios & additional Information as restated,
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein
  11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  12. In our opinion, the above financial information contained in Annexure 1 to 39 of this report read with the respective significant accounting policies and notes to restated summary statements as set out in Annexure 2 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
  13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Offer Document/ Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except without our 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 J C KABRA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration Number: 115749W**

**CA VIKASH KUMAR SOMANI**  
**Partner**  
**Membership Number: 137012**  
**UDIN: 24137012BKDCNB7552**

**Place: Jaipur**  
**Date: June 28, 2024**

## Restated Statements of Assets and Liabilities

(Rs. in Lakhs)

| Particulars                             | Notes | As at<br>March 31st, 2024 | As at<br>March 31st, 2023 | As at<br>March 31st, 2022 |
|---|-------|---------------------------|---------------------------|---------------------------|
| <b><u>I. EQUITY AND LIABILITIES</u></b> |       |                           |                           |                           |
| <b>(1) Shareholder's Fund</b>           |       |                           |                           |                           |
| (a) Share Capital                       | 4     | 472.50                    | 135.00                    | 27.00                     |
| (b) Reserves & Surplus                  | 5     | 183.72                    | 341.85                    | 311.25                    |
| <b>Total Shareholder's Fund</b>         |       | <b>656.22</b>             | <b>476.85</b>             | <b>338.25</b>             |
| <b>(2) Non-Current Liabilities</b>      |       |                           |                           |                           |
| <b>(3) Current Liabilities</b>          |       |                           |                           |                           |
| (a) Short Term Borrowings               | 6     | -                         | 2.65                      | 4.10                      |
| (b) Other Current Liabilities           | 7     | 3.37                      | 21.57                     | 11.88                     |
| (c) Short term Provisions               | 8     | 0.45                      | 0.50                      | 8.97                      |
| <b>Total Current Liabilities</b>        |       | <b>3.82</b>               | <b>24.72</b>              | <b>24.95</b>              |
| <b>Total Equity and Liabilities</b>     |       | <b>660.04</b>             | <b>501.57</b>             | <b>363.20</b>             |
| <b><u>II. ASSETS</u></b>                |       |                           |                           |                           |
| <b>(1) Non-Current Assets</b>           |       |                           |                           |                           |
| (a) Property, Plant and Equipments      | 9     | 74.61                     | 64.45                     | 44.91                     |
| (b) Non-Current Investments             | 10    | 456.01                    | 168.46                    | 38.00                     |
| (c) Deferred tax assets                 | 23(b) | 0.04                      | 3.71                      | 0.80                      |
| (d) Other non-current assets            | 11    | -                         | -                         | 18.45                     |
| <b>Total Non-Current Assets</b>         |       | <b>530.65</b>             | <b>236.62</b>             | <b>102.16</b>             |
| <b>(2) Current Assets</b>               |       |                           |                           |                           |
| (a) Current Investments                 | 12    | 92.45                     | 133.06                    | 94.03                     |
| (b) Trade Receivables                   | 13    | 0.39                      | 29.00                     | -                         |
| (c) Cash and Cash Equivalentents        | 14    | 21.55                     | 51.98                     | 158.13                    |
| (d) Short Term Loans & Advances         | 15    | 2.97                      | 40.72                     | 5.81                      |
| (e) Other Current Assets                | 16    | 12.03                     | 10.19                     | 3.07                      |
| <b>Total Current Assets</b>             |       | <b>129.39</b>             | <b>264.95</b>             | <b>261.04</b>             |
| <b>Total Assets</b>                     |       | <b>660.04</b>             | <b>501.57</b>             | <b>363.20</b>             |

See accompanying notes to the restated financial information  
As per our report of even date

**J C KABRA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 115749W

For and on behalf of the Board of Directors  
**SODHANI ACADEMY OF FINTECH ENABLERS LIMITED**

**CA VIKAS KUMAR**  
Partner  
M. No. 137012

**RAJESH KUMAR SODHANI**  
Director  
DIN - 02516856

**PRIYA SODHANI**  
Director  
DIN - 02523843

Place: Jaipur  
Date: 28 June 2024

## Restated Statement of Profit and Loss

(Rs. in Lakhs)

| Particulars   | Notes | Year ended<br>March 31st, 2024 | Year ended<br>March 31st, 2023 | Year ended<br>March 31st, 2022 |
|---|-------|--------------------------------|--------------------------------|--------------------------------|
| I. Revenue from Operations                                    | 17    | 205.08                         | 137.58                         | 185.89                         |
| II. Other Income  | 18    | 101.87                         | 65.87                          | 2.30                           |
| <b>III. Total Income (I+II)</b>                               |       | <b>306.95</b>                  | <b>203.45</b>                  | <b>188.19</b>                  |
| <b>IV. Expenses</b>   |       |                                |                                |                                |
| Employee Benefits Expenses                                    | 19    | 25.32                          | 12.18                          | 1.50                           |
| Finance Costs   | 20    | -                              | 0.01                           | 0.01                           |
| Depreciation and Amortization Expenses                        | 39    | 1.14                           | -                              | -                              |
| Other Expenses  | 21    | 39.22                          | 15.82                          | 13.28                          |
| <b>Total Expenses</b>   |       | <b>65.68</b>                   | <b>28.01</b>                   | <b>14.80</b>                   |
| <b>V. Profit Before Exceptional Items and Tax (III-IV)</b>    |       | <b>241.27</b>                  | <b>175.44</b>                  | <b>173.40</b>                  |
| Exceptional Items   |       | -                              | -                              | -                              |
| Prior Period Items  |       | -                              | -                              | -                              |
| <b>Profit Before Tax</b>                                      |       | <b>241.27</b>                  | <b>175.44</b>                  | <b>173.40</b>                  |
| <b>Income Tax Expense</b>                                     |       |                                |                                |                                |
| Current Year  |       | 50.95                          | 41.81                          | 50.25                          |
| Earlier Year  |       | 3.47                           | (2.06)                         | -                              |
| Deferred tax  |       | 3.67                           | (3.71)                         | (0.76)                         |
| <b>Profit After Tax</b>                                       |       | <b>183.17</b>                  | <b>139.39</b>                  | <b>123.91</b>                  |
| <b>Earnings per equity share of face value of Rs. 10 each</b> |       |                                |                                |                                |
| Basic EPS (In Rs.)  | 22    | 3.88                           | 2.95                           | 10.42                          |
| Diluted EPS (In Rs.)  | 25    | 3.88                           | 2.95                           | 10.42                          |

See accompanying notes to the restated financial information  
As per our report of even date

**J C KABRA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 115749W

For and on behalf of the Board of Directors  
**SODHANI ACADEMY OF FINTECH ENABLERS LIMITED**

**CA VIKAS KUMAR**  
Partner  
M. No. 137012

**RAJESH KUMAR SODHANI**  
Director  
DIN – 02516856

**PRIYA SODHANI**  
Director  
DIN - 02523843

Place: Jaipur  
Date: 28 June 2024

## Restated Cash Flow Statement

(Rs. in Lakhs)

|           | Particulars   | Year ended<br>March 31st, 2024 | Year ended<br>March 31st, 2023 | Year ended<br>March 31st, 2022 |
|-----------|---|--------------------------------|--------------------------------|--------------------------------|
| <b>A:</b> | <b>Cash Flow from Operating Activities:</b>                   |                                |                                |                                |
|           | Net Profit Before Tax as per Statement of Profit and Loss     | 241.27                         | 175.44                         | 173.40                         |
|           | Adjusted for:   |                                |                                |                                |
|           | Profit on Sale of Assets (net)                                | (9.00)                         | -                              | -                              |
|           | Dividend  | (1.72)                         | (2.16)                         | (0.26)                         |
|           | Depreciation  | 1.14                           | -                              | -                              |
|           | Interest Income   | (1.05)                         | (5.21)                         | (0.36)                         |
|           | Finance Costs   |                                |                                |                                |
|           | <b>Operating Profit before Working Capital Changes</b>        | <b>230.64</b>                  | <b>168.07</b>                  | <b>172.78</b>                  |
|           | <b>Changes in working capital:</b>                            |                                |                                |                                |
|           | Trade and Other Receivables                                   | 28.61                          | (29.00)                        | -                              |
|           | Other Current assets  | (1.84)                         | (7.12)                         | (2.17)                         |
|           | Short Term Loans and Advances                                 | 37.75                          | (34.91)                        | (5.81)                         |
|           | Other Current Liabilities                                     | (17.70)                        | 9.69                           | 11.88                          |
|           | Short Term Provisions   | (0.05)                         | (8.47)                         | 3.64                           |
|           | <b>Cash Generated from Operations</b>                         | <b>277.40</b>                  | <b>98.26</b>                   | <b>180.32</b>                  |
|           | Taxes Paid (net)  | (50.95)                        | (41.81)                        | (50.25)                        |
|           | <b>Net Cash from / (Used in) Operating Activities</b>         | <b>226.45</b>                  | <b>56.45</b>                   | <b>130.07</b>                  |
| <b>B:</b> | <b>Cash Flow From Investing Activities:</b>                   |                                |                                |                                |
|           | Purchase/(disposal) of Property, Plant and Equipments         | (10.16)                        | (19.54)                        | -                              |
|           | Non-Current investment  | (287.55)                       | (130.46)                       | (38.00)                        |
|           | Current investment  | 40.61                          | (18.51)                        | (92.83)                        |
|           | Dividend  | 1.72                           | 2.16                           | 0.26                           |
|           | Interest Income   | 1.15                           | 5.20                           | 0.36                           |
|           | <b>Net Cash from / (Used in) Investing Activities</b>         | <b>(254.22)</b>                | <b>(161.16)</b>                | <b>(130.21)</b>                |
| <b>C:</b> | <b>Cash Flow From Financing Activities:</b>                   |                                |                                |                                |
|           | Securities Premium  | -                              | -                              | 135.00                         |
|           | Proceeds from Issue of Equity Shares                          | -                              | -                              | 18.00                          |
|           | Short Term Borrowings (net)                                   | (2.65)                         | (1.45)                         | 3.60                           |
|           | Share Capital Issue Expenses                                  | -                              | -                              | -                              |
|           | Finance Costs   | -                              | 0.01                           | 0.01                           |
|           | <b>Net Cash from / (Used in) Financing Activities</b>         | <b>(2.65)</b>                  | <b>(1.44)</b>                  | <b>156.61</b>                  |
| <b>D</b>  | <b>Net (Decrease) / Increase in Cash and Cash Equivalents</b> | <b>(30.42)</b>                 | <b>(106.15)</b>                | <b>156.47</b>                  |
| <b>E</b>  | Opening Balance of Cash and Cash Equivalents                  | 51.98                          | 158.13                         | 1.66                           |
| <b>F</b>  | <b>Closing Balance of Cash and Cash Equivalents</b>           | <b>21.55</b>                   | <b>51.97</b>                   | <b>158.13</b>                  |

**Reconciliation of cash and cash equivalents as per the cash flow statement**

Cash and cash equivalents as per the above comprise of the following:

|  |              |              |               |
|--|--------------|--------------|---------------|
| Cash on Hand                                     | 2.15         | 0.22         | 0.32          |
| Balances with Banks in Current Accounts          | 19.40        | 51.76        | 157.81        |
| <b>Cash and Cash Equivalents [Refer note 12]</b> | <b>21.55</b> | <b>51.98</b> | <b>158.13</b> |

|   |              |              |               |
|---|--------------|--------------|---------------|
| <b>Cash and Cash Equivalents for the purpose of above statement of cash flows</b> | <b>21.55</b> | <b>51.98</b> | <b>158.13</b> |
|---|--------------|--------------|---------------|

**Notes:**

3. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in AS 3, Issued by Institute of Chartered Accountants of India.
4. Figures in bracket indicate cash outflow.

As per our report of even date

**J C KABRA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 115749W

For and on behalf of the Board of Directors  
**SODHANI ACADEMY OF FINTECH ENABLERS LIMITED**

**CA VIKAS KUMAR**  
Partner  
M. No. 137012

**RAJESH KUMAR SODHANI**  
Director  
DIN – 02516856

**PRIYA SODHANI**  
Director  
DIN - 02523843

Place: Jaipur  
Date: 28 June 2024

## Notes to the Restated Financial Statements

### 1. Company Information

SODHANI ACADEMY OF FINTECH ENABLERS LIMITED (Previously known as Sodhani Financial Consultants Private Limited) ("the Company") was incorporated as a private limited company on February 3, 2009 under the provision of the Companies Act, 1956 with the Registrar of Companies, Rajasthan. Thereafter, the company was converted from private limited to public limited vide fresh certificate of incorporation dated April 10, 2023 issued by the Registrar of Companies, Jaipur, Rajasthan. The company is engaged in the business of training & learning. The registered office of the Company is situated at Plot no C- 373, First Floor, C Block, Vaishali Nagar, Jaipur, Rajasthan - 302021.

### 2. BASIS OF PREPARATION AND MEASUREMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The Restated Financial Information relates to the Company and has been specifically prepared for inclusion in the document to be filed by the Company with the Stock Exchange, Securities and Exchange Board of India ("SEBI"), as the case may be in connection with the proposed Initial Public Offer ('IPO') of equity shares of the Company (referred to as the "Issue"). The Restated Financial Information comprise of the Restated Balance Sheet as at March 31, 2024, March 31, 2023 and March 31, 2022, the Statement of Profit and Loss, the Restated Cash Flow Statement, for the financial year ended March 31st, 2024, March 31st, 2023, and March 31st, 2022 (hereinafter collectively referred to as "Restated Financial Information").

The Restated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Restated Financial Information has been compiled by the Management from the audited financial statements of the Company for the years ended March 31st, 2024, March 31st, 2023, and March 31st, 2022, and approved by the respective Board of Directors of the company.

The preparation of these financial information in conformity with Indian GAAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or area where assumptions and estimates are significant to these financial statements are disclosed in notes to the financial statements.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including investments), defined benefit plans, plan assets and share-based payments.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013.

The Restated Financial Statements are presented in Rs.lakhs, except when otherwise indicated.

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

#### 2.3 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on the current/non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;

- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include the current portion of non-current financial assets. The Company classifies all other assets as non-current.

A liability is treated current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current liabilities include current portion of non-current financial liabilities. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

#### **2.4 Investments**

Current investments are carried at lower of cost and quoted/ fair market value, compared investment wise. Long term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than a temporary.

#### **4.4 Property, plant and equipment**

- All property, plant and equipment are stated at original cost of acquisition/installation (net of input credits availed) less accumulated depreciation and impairment loss, if any, except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight and other incidental expenses that are directly attributable to bringing the asset to its working condition for the intended use and estimated cost for decommissioning of an asset.
- Subsequent expenditure is capitalised only if it is probable that the future economic benefit associated with the expenditure will flow to the Company.

#### **4.5 Impairment of Assets**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an Impairment Loss and is recognized in statement of profit and loss. If at the balance sheet date there is an indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment loss been recognized.

#### **4.6 Cash and cash equivalents**

- Cash and cash equivalents in the balance sheet comprise cash at bank and on hand, short-term deposit with original maturity upto three months and fixed deposit with sweep in mode which are subject to insignificant risk of changes in value.
- For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft as they are considered as an integral part of Company's cash management.

#### **4.7 Revenue recognition**



Revenue from operations is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the accounting year.

**i. Sale of services**

Revenue is measured at the fair value of the consideration received or receivable for services rendered, net of discounts to customers. Revenue from the services is recognized when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of services, in the period in which such services are rendered.

**ii. Other income**

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rate. Dividend income is accounted for when the right to receive is established.

#### **4.8 Taxes on Income**

The tax expense for the period, comprising of the current tax and deferred tax is included in determining the net profit for the year. Provision for the current tax is based on tax liability computed in accordance with relevant tax rates and tax laws. Provision for deferred tax is made for all timing differences arising between taxable incomes and accounting income at rates that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized only if there is a certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

#### **4.9 Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during all the period presented. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during all the period presented are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

#### **4.10 Provisions, contingent liabilities and contingent assets**

- i. Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.
- ii. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.
- iii. Contingent assets are not recognized, but disclosed in the Financial Statements where an inflow of economic benefit is probable.

#### **4.11 Borrowing Costs**

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities.

#### **4.12 Equity**

Share capital is determined using the nominal value of shares that are issued. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

Retained earnings include all current and prior period results, as disclosed in the statement of profit and loss.

Securities premium includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from Securities premium, net of any related income tax benefits.

#### **4.13 Previous Year Comparatives**

The figures for the previous year have been regrouped, reworked, rearranged and reclassified wherever necessary to make them comparable to those for the current year.

**4.14** Balance shown under the heading sundry creditor for goods, expenses & others, Sundry debtor, other current assets and advances to suppliers are subject to confirmations. Necessary adjustments, if any will be made when the accounts are reconciled and settled.

**4.15** In the opinion of the management there is no such events occurred after the date of balance sheet, which needs disclosures in these accounts.

**4.16** Cash balances has been taken as valued and certified by the management.

#### 4.17 Segment Reporting

The company's business segment is 'Training, Learning and principal geographical segment is 'India'. Accordingly, no separate disclosure is required to be made under Accounting Standard 17, Segment Reporting.

### Notes to the Restated Financial Statements

#### 4. Share Capital

(Rs. in Lakhs)

| Particulars   | As at<br>March 31st, 2024 | As at<br>March 31st, 2023 | As at<br>March 31st, 2022 |
|---|---------------------------|---------------------------|---------------------------|
| Number of shares are in absolute number   |                           |                           |                           |
| <b>Authorised Share Capital:</b>  |                           |                           |                           |
| 70,00,000 Equity Share ( 30,00,000 equity shares in FY 2022-23 and FY 2021-22, 20,00,000 equity shares in FY 2020-21) of Rs.10 each | 700.00                    | 300.00                    | 300.00                    |
| <b>Issued, Subscribed and Fully Paid up:</b>  |                           |                           |                           |
| 47,25,000 Equity Shares (2,70,000 & 90,000 equity shares in FY 2022 & 2021) of Rs.10 each   | 472.50                    | 135.00                    | 27.00                     |
| <b>Total</b>  | <b>472.50</b>             | <b>135.00</b>             | <b>27.00</b>              |

#### 4.1

| The reconciliation of the number of shares outstanding is set out below: |                           |                           |                           |
|--|---------------------------|---------------------------|---------------------------|
| No. of Shares  | As at<br>March 31st, 2024 | As at<br>March 31st, 2023 | As at<br>March 31st, 2022 |
| Equity Shares at the beginning of the year                               | 1,350,000                 | 270,000                   | 90,000                    |
| Add: Shares issued during the year (refer note(i) below)                 | -                         | -                         | 180,000                   |
| Add: Bonus Shares Issued during the year (refer note(ii) below)          | 3,375,000                 | 1,080,000                 | -                         |
| <b>Equity shares at the end of the year</b>                              | <b>4,725,000</b>          | <b>1,350,000</b>          | <b>270,000</b>            |

- (i) Pursuant to right issue, the Company has issued 1,80,000 shares of face value Rs.10 at a premium Rs.75 on 21/02/2022.
- (ii) Bonus shares was issued in the ratio of 4 shares for every 1 shares held. Total 10,80,000 bonus shares were issued during financial year 2022-23. No shares were bought back during the reporting period.
- Further, during the year 2023-24, 5 bonus shares were issued for every 2 share held. Total 33,75,000 bonus shares were issued

#### 4.2 Rights, Preferences and restrictions attached to Equity shares:

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### 4.3 The details of Shareholders more than 5% shares

| Name of the Shareholder    | March 31st, 2024 | March 31st, 2023 | March 31st, 2022 |
|----------------------------|------------------|------------------|------------------|
|                            | No. of Shares    | No. of Shares    | No. of Shares    |
|                            | % held           | % held           | % held           |
| Rajesh Kumar Sodhani (HUF) | 1,398,600        | 399,600          | 80,000           |
|                            | 29.60%           | 29.60%           | 29.63%           |
| Rajesh Kumar Sodhani       | 1,837,500        | 525,000          | 105,000          |
|                            | 38.89%           | 38.89%           | 38.89%           |
| Priya Sodhani              | 1,487,500        | 425,000          | 85,000           |
|                            | 31.48%           | 31.48%           | 31.48%           |

Number of shares are in absolute number

#### 1.4 Shareholding of promoters and change therein

| Name of the Promoters                   | March 31st, 2024 | March 31st, 2023 | March 31st, 2022 |
|---|------------------|------------------|------------------|
| <b>Rajesh Kumar Sodhani (HUF)</b>       |                  |                  |                  |
| Number of shares held                   | 1,398,600        | 399,600          | 80,000           |
| % of shares held                        | 29.60%           | 29.60%           | 29.63%           |
| % change in shareholding from last year | 0.00%            | -0.03%           | 0.00%            |
| <b>Rajesh Kumar Sodhani</b>             |                  |                  |                  |
| Number of shares held                   | 1,837,500        | 525,000          | 105,000          |
| % of shares held                        | 38.89%           | 38.89%           | 38.89%           |
| % change in shareholding from last year | 0.00%            | 0.00%            | 95.24%           |
| <b>Priya Sodhani</b>                    |                  |                  |                  |
| Number of shares held                   | 1,487,500        | 425,000          | 85,000           |
| % of shares held                        | 31.48%           | 31.48%           | 31.48%           |
| % change in shareholding from last year | 0.00%            | 0.00%            | 25.93%           |

#### 5. Reserves and Surplus

(Rs. in Lakhs)

| Particulars   | As at March 31st, 2024 | As at March 31st, 2023 | As at March 31st, 2022 |
|---|------------------------|------------------------|------------------------|
| 5.1 Securities Premium Account                        |                        |                        |                        |
| Balance at beginning of the year                      | 67.00                  | 175.00                 | 40.00                  |
| Add: Security Premium on new shares                   | -                      | -                      | 135.00                 |
| Less: Bonus Shares Issued                             | (67.00)                | (108.00)               | -                      |
| Balance at end of the year                            | -                      | 67.00                  | 175.00                 |
| 5.2 Retained Earnings                                 |                        |                        |                        |
| Balance at beginning of the year                      | 274.85                 | 136.25                 | 12.34                  |
| Add: Profit / (Loss) for the year                     | 183.17                 | 138.60                 | 123.91                 |
| Less: Bonus Shares Issued                             | (270.50)               | -                      | -                      |
| Less: ROC charges paid to increase authorised capital | (3.80)                 |                        |                        |

|  |                                   |               |               |               |
|--|-----------------------------------|---------------|---------------|---------------|
|  | <b>Balance at end of the year</b> | <b>183.72</b> | <b>274.85</b> | <b>136.25</b> |
|  | <b>Total</b>                      | <b>183.72</b> | <b>341.85</b> | <b>311.25</b> |

#### 6. Short term Borrowings

(Rs. in Lakhs)

| Particulars          | As at<br>March 31st, 2024 | As at<br>March 31st, 2023 | As at<br>March 31st, 2022 |
|----------------------|---------------------------|---------------------------|---------------------------|
| <b>Unsecured</b>     |                           |                           |                           |
| From Related Parties | -                         | 2.65                      | 4.10                      |
| <b>Total</b>         | <b>-</b>                  | <b>2.65</b>               | <b>4.10</b>               |

**Note:** Company has not availed any finance against security of current assets such as Cash credit, Bank overdraft or any such similar loans from banks / financial institutions against current assets.

| Related Parties who have advanced to the company |                           |                           | (Rs. in Lakhs)            |
|--|---------------------------|---------------------------|---------------------------|
| Particulars                                      | As at<br>March 31st, 2024 | As at<br>March 31st, 2023 | As at<br>March 31st, 2022 |
| Priya Sodhani                                    | -                         | -                         | -                         |
| Rajesh Kumar Sodhani*                            | -                         | 2.65                      | 4.10                      |
| <b>Total</b>                                     | <b>-</b>                  | <b>2.65</b>               | <b>4.10</b>               |

\*During FY 2022-23 bank has wrongly created FD in favour of Mr. Rajesh Sodhani of Rs 1.56 lakhs but before the signing of financials correction has not made by bank.

#### 7. Other Current Liabilities

(Rs. in Lakhs)

| Particulars                 | As at<br>March 31st, 2024 | As at<br>March 31st, 2023 | As at<br>March 31st, 2022 |
|-----------------------------|---------------------------|---------------------------|---------------------------|
| <b>Current</b>              |                           |                           |                           |
| Sundry Creditors            | 0.05                      | -                         | 0.13                      |
| Statutory dues/liabilities* | 2.86                      | 13.53                     | 11.75                     |
| Employee benefits payables  | 0.33                      | 8.04                      |                           |
| Advance From Customers      | 0.12                      |                           |                           |
| <b>Total</b>                | <b>3.37</b>               | <b>21.57</b>              | <b>11.88</b>              |

#### 8. Short term Provisions

(Rs. in Lakhs)

| Particulars              | As at March 31st,<br>2024 | As at March 31st,<br>2023 | As at March<br>31st, 2022 |
|--------------------------|---------------------------|---------------------------|---------------------------|
| <b>Current</b>           |                           |                           |                           |
| Provision for audit fees | 0.45                      | 0.50                      | 0.05                      |
| Provision for income tax | -                         | -                         | 8.92                      |
| <b>Total</b>             | <b>0.45</b>               | <b>0.50</b>               | <b>8.97</b>               |

#### 9. Property, Plant and Equipments

(Rs. in Lakhs)

| Particulars          | As at March 31st,<br>2024 | As at March 31st,<br>2023 | As at March<br>31st, 2022 |
|----------------------|---------------------------|---------------------------|---------------------------|
| Land/Plot (Property) | 59.45                     | 64.45                     | 44.91                     |

|                   |              |              |              |
|-------------------|--------------|--------------|--------------|
| Plant & Equipment | 15.15        | -            | -            |
| <b>Total</b>      | <b>74.61</b> | <b>64.45</b> | <b>44.91</b> |

#### 10. Non-current Investments

(Rs. in Lakhs)

| Particulars                                   | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|---|-------------------------|-------------------------|-------------------------|
| <b>Investments Measured at Cost</b>           |                         |                         |                         |
| <b><u>Investments in Equity Shares :-</u></b> | 162.44                  | 132.77                  | -                       |
| Godavari Drugs Limited                        | 2.62                    | 2.62                    | -                       |
| Jeena Sikho Life                              | 29.37                   | 29.37                   | -                       |
| Piccadily Agro                                | 37.34                   | 28.62                   | -                       |
| Sarthak Metals                                | 3.41                    | 3.41                    | -                       |
| Shanthi Gears                                 | 8.52                    | 7.44                    | -                       |
| Silly Monk Entertainment                      | 35.96                   | 35.96                   | -                       |
| Tracxn Technologies                           | 23.28                   | 23.28                   | -                       |
| Zee Learn Limited                             | 2.07                    | 2.06                    | -                       |
| TGV Sraac Ltd                                 | 10.13                   | -                       | -                       |
| BMW Ind Ltd.                                  | 9.74                    | -                       | -                       |
| Cheviot Co. Ltd.                              | 6.42                    | -                       | -                       |
| <b><u>Investment in Mutual Fund :-</u></b>    | 287.01                  | 35.55                   | 38.00                   |
| Aditya Birla Sunlife                          | 194.00                  | 18.00                   | 18.00                   |
| ABSL Multi Cap                                | 4.75                    | 1.75                    | -                       |
| Kotak Low Duration Fund                       | -                       | -                       | 20.00                   |
| HSBC Small Cap Equity Fund Growth             | 3.60                    | 2.35                    | -                       |
| Kotak small cap fund                          | 5.10                    | 2.10                    | -                       |
| Mahindra Manulife Flexicap Yojana             | 2.85                    | 1.05                    | -                       |
| Mahindra manulife Top 25 Nivesh Yojana        | 5.35                    | 2.35                    | -                       |
| Mirae Mid Cap                                 | 5.25                    | 2.25                    | -                       |
| Motilal Oswal Midcap 30 funds                 | 5.25                    | 2.25                    | -                       |
| Nippon Large Cap Growth                       | 5.35                    | 2.35                    | -                       |
| Sundaram service fund investment              | 2.30                    | 1.10                    | -                       |
| Bandhan Liquid Fund                           | 4.00                    | -                       | -                       |
| Bandhan Ultra Short Term                      | 49.21                   | -                       | -                       |
| <b><u>Other Investments :-</u></b>            |                         |                         |                         |
| (a) Gold Coin*                                | 0.14                    | 0.14                    | -                       |
| <b>Total</b>                                  | <b>449.59</b>           | <b>168.46</b>           | <b>38.00</b>            |

\*In some target based contest company won gold coin

**11. Other Non-Current Assets****(unsecured, considered good unless stated otherwise)****(Rs. in Lakhs)**

| Particulars            | As at March 31st, 2024 | As at March 31st, 2023 | As at March 31st, 2022 |
|------------------------|------------------------|------------------------|------------------------|
| Mat Credit Entitlement |                        | -                      | -                      |
| Capital Advances*      |                        |                        | 18.45                  |
| <b>Total</b>           |                        | -                      | <b>18.45</b>           |

Capital Advances was given in respect to purchase of flat at Mayfair Heights, Kalwar road, Jaipur.

**12. Current Investment****(Rs. in Lakhs)**

| Particulars                                      | As at March 31st, 2024 | As at March 31st, 2023 | As at March 31st, 2022 |
|--|------------------------|------------------------|------------------------|
| <b>Investments in equity instruments</b>         |                        |                        |                        |
| <b>Quoted Securities and Shares (Annexure A)</b> | 92.45                  | 133.06                 | 94.03                  |
| <b>Total</b>                                     | <b>92.45</b>           | <b>133.06</b>          | <b>94.03</b>           |

(i) The Basis of Valuation of Investments

Investment is valued at the lower of cost and fair value

|  |        |        |       |
|--|--------|--------|-------|
| <b>cost of investment</b>                                      | 92.45  | 147.78 | 96.90 |
| <b>Investment wise fair value of investment as on March 31</b> | 152.15 | 133.05 | 94.03 |

**13. Trade Receivables****(Rs. in Lakhs)**

| Particulars                      | As at March 31st, 2024 | As at March 31st, 2023 | As at March 31st, 2022 |
|----------------------------------|------------------------|------------------------|------------------------|
| <b>Current</b>                   |                        |                        |                        |
| Undisputed - Considered Good     | 0.40                   | 29.00                  | -                      |
| Undisputed - Considered Doubtful |                        | -                      | -                      |
| Disputed - Considered Good       | -                      | -                      | -                      |
| Disputed - Considered Doubtful   | -                      | -                      | -                      |
|                                  | -                      |                        |                        |
| <b>Total</b>                     | <b>0.40</b>            | <b>29.00</b>           | <b>-</b>               |

**Ageing of debtors****(Rs. in Lakhs)**

| Particulars                        | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|------------------------------------|-------------------------|-------------------------|-------------------------|
| Outstanding for less than 6 months | 0.40                    | 29.00                   | -                       |
| Outstanding for 6 - 12 months      |                         | -                       | -                       |
| Outstanding for 1 - 2 years        |                         | -                       | -                       |
| Outstanding for 2 - 3 years        |                         | -                       | -                       |
| Outstanding for more than 3 years  |                         | -                       | -                       |
| <b>Total</b>                       | <b>0.40</b>             | <b>29.00</b>            | <b>-</b>                |

**14. Cash and Cash Equivalents****(Rs. in Lakhs)**

| Particulars              | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|--------------------------|-------------------------|-------------------------|-------------------------|
| Balances with Banks      |                         |                         |                         |
| In Current Accounts      | 19.40                   | 32.00                   | 36.93                   |
| In Sweep Deposit Account | -                       | 19.76                   | 120.88                  |
| Cash on Hand             | 2.15                    | 0.22                    | 0.32                    |
| <b>Total</b>             | <b>21.55</b>            | <b>51.98</b>            | <b>158.13</b>           |

**15. Short Term Loans and Advances****(Rs. in Lakhs)**

| Particulars  | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|--|-------------------------|-------------------------|-------------------------|
| <b>Current</b>                                     |                         |                         |                         |
| <b>(Unsecured and Considered good)</b>             |                         |                         |                         |
| Inter Corporate Loans*                             | -                       | 40.72                   | -                       |
| Security deposits                                  | 1.20                    | -                       | -                       |
| Advances to related party ( Details in Note Below) | 1.77                    | -                       | 5.81                    |
| <b>Total</b>                                       | <b>2.97</b>             | <b>40.72</b>            | <b>5.81</b>             |

\*Inter corporate loan was given to M/s JK Distributors Private Limited for period of 6 months on interest of 12% p.a. As explained by the management above funds were provided for the purpose of short term working capital.

| <b>Related Parties who have advanced to the company</b> |                         |                         |                         |
|---|-------------------------|-------------------------|-------------------------|
| Particulars   | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
| Sodhani Capital Private Limited                         | -                       | -                       | 5.81                    |
| Rajesh Kumar Sodhani (Rent)                             | 1.77                    |                         |                         |
| <b>Total</b>  | <b>1.77</b>             | <b>-</b>                | <b>5.81</b>             |

**16. Other Current Assets****(Rs. in Lakhs)**

| Particulars          | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|----------------------|-------------------------|-------------------------|-------------------------|
| <b>Current</b>       |                         |                         |                         |
| Advance Tax          | 9.49                    | 4.17                    | -                       |
| TDS                  | 2.54                    | 6.02                    | 2.96                    |
| Advance for expenses | -                       | -                       | 0.11                    |
| Other Receivables    | -                       | -                       | -                       |
| <b>Total</b>         | <b>12.03</b>            | <b>10.19</b>            | <b>3.07</b>             |

**17. Revenue from Operations****(Rs. in Lakhs)**

| Particulars                                    | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|--|-------------------------|-------------------------|-------------------------|
| <b>Sale of Services</b>                        |                         |                         |                         |
| Income from Learning, Training and Consultancy | 205.08                  | 137.58                  | 185.89                  |
| <b>Total</b>                                   | <b>205.08</b>           | <b>137.58</b>           | <b>185.89</b>           |

**18. Other Income****(Rs. in Lakhs)**

| Particulars                                    | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|--|-------------------------|-------------------------|-------------------------|
| Interest Income from banks                     | 0.52                    | 3.90                    | 0.36                    |
| Dividend income                                | 1.72                    | 2.16                    | 0.26                    |
| Profit (Loss) on sale of shares/mutual fund    | 74.32                   | 58.01                   | 1.68                    |
| Interest on investment                         | 0.53                    | 1.31                    | -                       |
| Profit on sale of Property                     | 9.00                    | -                       | -                       |
| Reversal of Loss on sale of shares/mutual fund | 14.72                   |                         |                         |
| Miscellaneous Income                           | 1.05                    | 0.49                    | -                       |
| <b>Total</b>                                   | <b>101.87</b>           | <b>65.87</b>            | <b>2.30</b>             |

**19. Employee Benefit Expenses****(Rs. in Lakhs)**

| Particulars                  | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|------------------------------|-------------------------|-------------------------|-------------------------|
| Salaries, Bonus & Allowances | 13.32                   | 0.18                    | -                       |
| Directors' Remuneration      | 12.00                   | 12.00                   | 1.50                    |
| <b>Total</b>                 | <b>25.32</b>            | <b>12.18</b>            | <b>1.50</b>             |

**20. Finance Cost****(Rs. in Lakhs)**

| Particulars                | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|----------------------------|-------------------------|-------------------------|-------------------------|
| Interest Expenses - Others | -                       | 0.01                    | 0.01                    |
| <b>Total</b>               | <b>-</b>                | <b>0.01</b>             | <b>0.01</b>             |

**21. Other Expenses****(Rs. in Lakhs)**

| Particulars                          | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|--------------------------------------|-------------------------|-------------------------|-------------------------|
| Bank Charges                         | 0.02                    | 0.01                    | -                       |
| Fair value loss on investment        | -                       | 14.72                   | 2.87                    |
| (Loss) on sale of shares/mutual fund | -                       | -                       | -                       |



|                                    |              |              |              |
|------------------------------------|--------------|--------------|--------------|
| D-mat Charges                      | 0.10         | 0.00         | -            |
| Legal and professional fees        | 6.70         | 0.23         | 4.48         |
| Payments to auditors               | 0.50         | 0.50         | 0.05         |
| Advertisement & Meeting Expenses   | 1.01         | 0.22         | 5.60         |
| Office expenses                    | 0.39         | 0.14         | 0.28         |
| Rent Paid                          | 13.00        | -            | -            |
| Telephone & Communication Expenses | 0.24         | -            | -            |
| Website Development Expenses       | 1.50         | -            | -            |
| Training Expenses                  | 15.77        | -            | -            |
| <b>Total</b>                       | <b>39.22</b> | <b>15.82</b> | <b>13.28</b> |

## 22. Earnings Per Share (EPS)

(Rs. in Lakhs)

| Particulars   | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|---|-------------------------|-------------------------|-------------------------|
| Net Profit after tax as per Statement of Profit and Loss attributable |                         |                         |                         |
| Equity Shareholders (Rs.)   | 183.17                  | 139.39                  | 123.91                  |
| Weighted Average number of Equity Shares used as denominator          |                         |                         |                         |
| for calculating EPS   | 4,725,000               | 4,725,000               | 1,188,740               |
| Basic and Diluted Earnings per share (Rs.)                            | 3.88                    | 2.95                    | 10.42                   |
| Face Value per Equity Share (Rs.)                                     | 10.00                   | 10.00                   | 10.00                   |

### Note:

The Company has issued 33,75,000 bonus share during FY 2023-24. Effect of the same has been taken while calculating earnings per share of FY 2022-23 according to the requirement of AS-20. However, effect on earnings per share of FY 2021-22 and FY 2020-21 cannot be taken due to inadequacy of reserve for issue of bonus shares.

## 24. Taxation

### (a) Statement of Tax Shelter

(Rs. in Lakhs)

| Particulars                                    | Year ended March 31st, 2024 | Year ended March 31st, 2023 | Year ended March 31st, 2022 |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>Net Profit Before Tax (A)</b>               | 241.27                      | 175.44                      | 173.40                      |
| Tax rate applicable percentage                 | 27.82%                      | 25.17%                      | 27.82%                      |
| <b>Adjustments:</b>                            |                             |                             |                             |
| Add: Depreciation as per Companies act         | 1.14                        | -                           | -                           |
| Add: Disallowance under Income Tax Act, 1961   | -                           | 14.72                       | 3.55                        |
| Less: Taxable under other heads of income      | 86.10                       | 65.60                       | 2.30                        |
| Less: FMV Valuation Reversals                  | 14.72                       |                             |                             |
| Less: Depreciation as per Income Tax Act, 1961 | 1.00                        | -                           | -                           |
| <b>Net Adjustments(B)</b>                      | -100.68                     | -50.88                      | 1.25                        |
| <b>Business Income (A+B)</b>                   | <b>140.59</b>               | <b>124.56</b>               | <b>174.64</b>               |
| <b>Income from Capital Gain</b>                | <b>83.32</b>                | <b>58.01</b>                | <b>1.68</b>                 |
| <b>Income from Other Sources</b>               | <b>2.77</b>                 | <b>7.59</b>                 | <b>0.62</b>                 |

|   |              |              |              |
|---|--------------|--------------|--------------|
| Tax Payable as per Normal Rate  | 39.88        | 33.26        | 48.76        |
| Tax Payable as per Special Rate:  | 10.51        | 8.55         | 0.21         |
| Interest and other fees payable   | 0.56         | -            | 1.28         |
| <b>Tax as per Income Tax (C)</b>  | <b>50.95</b> | <b>41.81</b> | <b>50.25</b> |
| <b>Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961 (D)</b> | <b>-</b>     | <b>-</b>     | <b>-</b>     |
| <b>Net Tax (Higher of C &amp; D)</b>  | <b>50.95</b> | <b>41.81</b> | <b>50.25</b> |
| <b>Current tax as per restated Statement of Profit &amp; Loss</b>                         | <b>50.95</b> | <b>41.81</b> | <b>50.25</b> |

**(b) Deferred tax assets/(Liabilities)**

| Particulars                    | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|--------------------------------|-------------------------|-------------------------|-------------------------|
| On Investment and Depreciation | -3.67                   | 3.71                    | 0.80                    |
| <b>Total</b>                   | <b>(3.67)</b>           | <b>3.71</b>             | <b>0.80</b>             |

**23. Related Party Disclosures**

**(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:**

| Sr. No. | Name of the Related Party       | Relationship                                       |
|---------|---------------------------------|--|
| 1       | Mr Rajesh Kumar Sodhani         | Key Managerial Personnel                           |
| 2       | Ms. Priya Sodhani               |  |
| 3       | Mr. Suresh Kumar Sodhani        |  |
| 1       | Rajesh Kumar Sodhani HUF        | Entities with significant influence over the Group |
| 2       | Sodhani Capital Private Limited |  |

**(ii) Transactions for the Year**

**(Rs. in Lakhs)**

| S no | Particulars   | Year ended<br>March 31st, 2024 | Year ended<br>March 31st, 2023 | Year ended<br>March 31st, 2022 |
|------|---|--------------------------------|--------------------------------|--------------------------------|
| 1    | <b>Salaries</b>   |                                |                                |                                |
|      | <b>Key Management personnel</b>                           |                                |                                |                                |
|      | Mr Rajesh Kumar Sodhani                                   | 12.00                          | 12.00                          | -                              |
|      | Ms. Priya Sodhani   | -                              | -                              | 1.50                           |
| 2    | <b>Net Loans and Advances given / (returned)</b>          |                                |                                |                                |
|      | <b>Entities with significant influence over the Group</b> |                                |                                |                                |
|      | Sodhani Capital Private Limited                           | -                              | -5.81                          | 5.81                           |
| 3    | <b>Unsecured long term Loans received and (repaid)</b>    |                                |                                |                                |
|      | <b>Key Managerial Personnel</b>                           |                                |                                |                                |
|      | Ms. Priya Sodhani   | -                              | -                              | -0.50                          |
|      | Mr Rajesh Kumar Sodhani                                   | 2.65                           | -1.45                          | 4.10                           |

**(iii) Details of balances with Related Party at the Year end**

**(Rs. in Lakhs)**

| Sr. no | Particulars   | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 |
|--------|---|-------------------------|-------------------------|-------------------------|
| 1      | <b>Loans and advances (Asset)</b>                         |                         |                         |                         |
|        | <b>Entities with significant influence over the Group</b> |                         |                         |                         |
|        | Sodhani Capital Private Limited                           | -                       | -                       | 5.81                    |
| 2      | <b>Unsecured long term loans (liability)</b>              |                         |                         |                         |
|        | <b>Key Managerial Personnel</b>                           |                         |                         |                         |
|        | Ms. Priya Sodhani   | -                       | -                       | -                       |
|        | Mr Rajesh Kumar Sodhani                                   | -                       | 2.65                    | 4.10                    |

### 3. Material Adjustments to the Restated Financial Statement

#### Material Adjustment

3.1 The summary of results of restatement made in the Audited Financial Statement for the respective period and its impact on profit & loss of the company as follows: (Rs. in Lakhs)

| Particulars  | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 | As at 'March 31st, 2021 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Net profit after Tax as per Audited Profit &amp; Loss Account</b> | 183.17                  | 139.39                  | 125.91                  | 3.16                    |
| <b>Adjustments for:</b>  |                         |                         |                         |                         |
| Valuation of investment as per AS-13                                 | -                       | -                       | -2.76                   | -0.11                   |
| Deferred tax on above  | -                       | -                       | 0.76                    | 0.04                    |
| <b>Net Profit After Tax as Restated</b>                              | <b>183.17</b>           | <b>139.39</b>           | <b>123.91</b>           | <b>3.08</b>             |

3.2 Reconciliation statement between restated reserve & surplus affecting Equity due to adjustments made in restated financial statements: (Rs. in Lakhs)

| Adjustment for                                      | As at 'March 31st, 2024 | As at 'March 31st, 2023 | As at 'March 31st, 2022 | As at 'March 31st, 2021 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Equity / Net worth as per Audited Financials</b> | 656.22                  | 476.85                  | 340.32                  | 61.42                   |
| <b>Adjustments for:</b>                             |                         |                         |                         |                         |
| Valuation of investment as per AS-13                | -                       | -                       | -2.87                   | -0.11                   |
| Deferred tax on above                               | -                       | -                       | 0.80                    | 0.04                    |
| <b>Equity/Net Worth as Restated</b>                 | <b>656.22</b>           | <b>476.85</b>           | <b>338.25</b>           | <b>61.34</b>            |

3.3 Restated Statement of Accounting Ratios:

| Financial Ratios                         | March 31st, 2024 | March 31st, 2023 | March 31st, 2022 | March 31st, 2021 | Reason for movements   |
|--|------------------|------------------|------------------|------------------|--|
| <b>Current Ratio (a/b)</b>               | 33.87            | 2.14             | 3.08             | 0.54             | Due to liquidity and profitability the current ratio has been impacted   |
| <b>Current Assets {a}</b>                | 129.39           | 178.41           | 210.21           | 3.81             |  |
| <b>Current Liabilities {b}</b>           | 3.82             | 83.40            | 68.15            | 7.08             |  |
| <b>Debt Equity Ratio {a/b}</b>           | -                | 0.01             | 0.01             | 0.01             | Debt of company is Nil. Company has also increased its equity so debt equity ratio is looking into very healthy condition. |
| <b>Total Debt {a}</b>                    | -                | 2.65             | 4.10             | 0.50             |  |
| <b>Total Equity {b}</b>                  | 656.22           | 476.85           | 338.25           | 61.34            |  |
| <b>Debt Service Coverage Ratio {a/b}</b> | -                | 41.35            | 41.73            | 29.69            | Debt of the company is NIL. However company operating  |
| <b>Net Operating Income {a}</b>          | 139.40           | 109.57           | 171.09           | 14.85            |  |

|   |        |        |        |       |  |
|---|--------|--------|--------|-------|--|
| <b>Total Debt {b}</b>                         | -      | 2.65   | 4.10   | 0.50  | income also Increased in comparison to FY 2023-24.   |
| <b>Return on Equity Ratio {a/b}</b>           | 0.28   | 0.29   | 0.37   | 0.05  | The Company's earning is increasing year by year. However with the increase in company equity ratio is marginally decreased in FY 2023.  |
| <b>Net Income {a}</b>                         | 183.17 | 139.39 | 123.91 | 3.08  |  |
| <b>Shareholder's Equity {b}</b>               | 656.22 | 476.85 | 338.25 | 61.34 |  |
| <b>Trade Receivables Turnover Ratio {a/b}</b> | 0      | 2.00   | -      | -     | Company generally have cash sales only. It's a healthy sign  |
| <b>Net Credit Sales {a}</b>                   | -      | 29.00  | -      | -     |  |
| <b>Average Account Receivable {b}</b>         | 0      | 14.50  | -      | -     |  |
| <b>Net Capital Turnover Ratio {a/b-c}</b>     | 1.63   | 0.57   | 0.79   | -5.89 | Though working capital has been increased along with turnover also has been increased. The amount investment in Equity shares which held for short run are governing factor for Increased ratio. |
| <b>Net Annual Sales {a}</b>                   | 205.08 | 137.58 | 185.89 | 15.14 |  |
| <b>Av. Current Assets {b}</b>                 | 129.39 | 264.95 | 261.04 | 3.26  |  |
| <b>Av. Current Liabilities {c}</b>            | 3.82   | 24.72  | 24.95  | 5.83  |  |
| <b>Net Profit Ratio {a/b}</b>                 | 0.89   | 1.01   | 0.67   | 0.20  | There is decrease in margin due to increase in expenses during the year. Operating expenses increased during the year causes lower ratio but contributing to raise sales on other side.          |
| <b>Net Profit {a}</b>                         | 183.17 | 139.39 | 123.91 | 3.08  |  |
| <b>Net Sales {b}</b>                          | 205.08 | 137.58 | 185.89 | 15.14 |  |
| <b>Return on capital employed {a/b}</b>       | 0.37   | 0.37   | 0.51   | 0.41  | There is a decrease in return on Capital employed as profit is increased and at the same time capital employed is also increased   |
| <b>Profit before Interest and Tax {a}</b>     | 241.27 | 175.44 | 173.40 | 25.00 |  |
| <b>Capital Employed {b}</b>                   | 656.22 | 476.85 | 338.25 | 61.34 |  |
| <b>Return on Investment {a/b}</b>             | 13.87  | 16.20  | -0.96  | -9.22 | Return on investment has decreased a bit but Company has made diversified investment after careful evaluation and analysis   |
| <b>Profit from investment {a}</b>             | 76.04  | 45.45  | -0.93  | -0.07 |  |
| <b>Cost of investment {b}</b>                 | 548.46 | 280.56 | 96.90  | 0.81  |  |

24. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated as realizable in the ordinary course of business and the provision for all known liabilities are adequate.
25. Debit and Credit balances are subject to confirmation and reconciliation if any.
26. The Company has not granted loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:(a) repayable on demand or (b) without specifying any terms or period of repayment.
27. Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with current year classification.
28. The Company does not have any capital work-in-progress

29. The Company does not have any intangible asset under development.
30. 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.
31. The Company has no borrowings from banks or financial institutions.
32. The company is not declared as willful defaulter by any bank or financial institution or other lender.
33. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 2013
34. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
35. The Company does not have any modification or satisfaction of charge which is required to be registered with the RoC beyond statutory period.
36. The company's investments are in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

As per our report of even date

**J C KABRA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 115749W

For and on behalf of the Board of Directors  
**SODHANI ACADEMY OF FINTECH ENABLERS LIMITED**

**CA VIKAS KUMAR**  
Partner  
M. No. 137012

**RAJESH KUMAR SODHANI**  
Director  
DIN – 02516856

**PRIYA SODHANI**  
Director  
DIN - 02523843

Place: Jaipur  
Date: 28 June 2024

## 37. Details of accounting ratio as restated

(Rs. in Lakhs, except per share data)

| Financial Ratios   | As on<br>March 31st,<br>2024 | As on<br>March 31st,<br>2023 | As on<br>March 31st,<br>2022 |
|--|------------------------------|------------------------------|------------------------------|
| <b>A. Earning per share</b>  |                              |                              |                              |
| Restated Profit / (loss) after Tax as per Profit & Loss Statement  | 183.17                       | 139.39                       | 123.91                       |
| Weighted Average Number of Equity Shares at the end of the Year/Period before adjustment for issue of bonus shares | 4,725,000.00                 | 270,000.00                   | 108,740.00                   |
| Weighted Average Number of Equity Shares at the end of the Year/Period after adjustment for issue of bonus shares  | 4,725,000.00                 | 4,725,000.00                 | 1,188,740.00                 |
| <b>Earning per share</b>   |                              |                              |                              |
| Basic EPS - Pre Bonus  | 3.88                         | 51.63                        | 113.95                       |
| Basic EPS - Post Bonus   | 3.88                         | 2.95                         | 10.42                        |
|  |                              |                              |                              |
| Diluted EPS - Pre Bonus  | 3.88                         | 51.63                        | 113.95                       |
| Diluted EPS - Post Bonus   | 3.88                         | 2.95                         | 10.42                        |

**Note:**

10,80,000 bonus shares issues in the ratio of 4 shares of every 1 share held.

The Company has issued 33,75,000 bonus share during FY 2023-24. Effect of the same has been taken while calculating earnings per share of FY 2022-23 according to the requirement of AS-20. However, effect on earnings per share of FY 2021-22 and FY 2020-21 cannot be taken due to inadequacy of reserve for issue of bonus shares.

|   |              |              |              |
|---|--------------|--------------|--------------|
| <b>B. Return on Net Worth</b>           |              |              |              |
| Net Worth                               | 656.22       | 476.85       | 338.25       |
| Return on net worth                     | 27.91%       | 29.23%       | 36.63%       |
| Net assets value per share - Pre Bonus  | 13.89        | 176.61       | 311.07       |
| Net assets value per share - Post Bonus | 13.89        | 10.09        | 28.45        |
|   |              |              |              |
| <b>C. Current Ratio</b>                 |              |              |              |
| Current Assets (a)                      | 129.39       | 264.95       | 261.04       |
| Current Liabilities (b)                 | 3.82         | 24.72        | 24.95        |
| <b>Current Ratio (a/b)</b>              | <b>33.87</b> | <b>10.72</b> | <b>10.46</b> |

## 38. Capitalization statement as at 31st March 2023

| Particulars                     |  | Pre Issue     | Post Issue |
|---------------------------------|--|---------------|------------|
| <b>Borrowings</b>               |  |               |            |
| Short Term Debts                |  | -             |            |
| Long Term Debts                 |  | -             |            |
| <b>Total Debts</b>              |  | -             | -          |
|                                 |  |               |            |
| Shareholder's funds             |  |               |            |
| Equity Share Capital            |  | 472.50        |            |
| Reserves and Surplus            |  | 183.72        |            |
| <b>Total Shareholder's fund</b> |  | <b>656.22</b> | -          |

|  |  |   |
|--|--|---|
|  |  |   |
| <b>Short term debt/shareholder fund</b>  |  | - |
| <b>Total Debt/shareholder fund</b>   |  | - |
| (1) The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2024. |  |   |

### 39. Depreciation

#### On Property, Plant and Equipment (Tangible)

| Sr. No       | Particulars              | Gross Block      |                     |                     | Depreciation     |                      |                   | Net Block        |                     |
|--------------|--------------------------|------------------|---------------------|---------------------|------------------|----------------------|-------------------|------------------|---------------------|
|              |                          | As On 01.04.2023 | Addition/Deletion   | As On 01.04.2024    | Up to 31.03.2023 | For the Year 2023-24 | Up to 31.03.2024  | As On 31.03.2023 | As On 31.03.2024    |
| 1            | Furniture & Fittings A/c | 0.00             | 1,414,360.00        | 1,414,360.00        | 0.00             | 103,050.04           | 103,050.04        | 0.00             | 1,311,309.96        |
| 2            | Air Conditioner          | 0.00             | 109,375.01          | 109,375.01          | 0.00             | 3,266.46             | 3,266.46          | 0.00             | 106,108.55          |
| 3            | Computer                 | 0.00             | 105,974.58          | 105,974.58          | 0.00             | 7,927.36             | 7,927.36          | 0.00             | 98,047.22           |
| <b>Total</b> |                          | <b>0.00</b>      | <b>1,629,709.59</b> | <b>1,629,709.59</b> | <b>0.00</b>      | <b>114,243.86</b>    | <b>114,243.86</b> | <b>0.00</b>      | <b>1,515,465.73</b> |

| <b>Annexure A:</b>                                   |                               |
|--|-------------------------------|
| <b>Investments in equity instruments</b>             | <b>Rs. in Lakhs</b>           |
| <b><u>Quoted Securities and Shares (At Cost)</u></b> |                               |
| <b>Particulars</b>                                   | <b>As at March 31st, 2024</b> |
| BALMER LAWRIE EQ                                     | 7.25                          |
| BOMBAY DYEING EQ                                     | 7.59                          |
| Ce Info System                                       | 10.41                         |
| CFF FLUID CONTROL LTD                                | 4.73                          |
| Epigral Ltd Eq                                       | 6.11                          |
| FLUIDOMAT LTD EQ                                     | 0.82                          |
| Himadri Specility EQ                                 | 8.95                          |
| Hindustan Construction                               | 3.68                          |
| Indiabull Real Estate                                | 2.86                          |
| Kirloskar Electric Eq                                | 2.61                          |
| RAGHAV PRODUCTIVITY EQ                               | 5.85                          |
| Shriram Pistons & Ri                                 | 3.04                          |
| The Anup Engineering                                 | 25.92                         |
| Voith Paper Fabrics                                  | 2.64                          |
| <b>Total</b>   | <b>92.45</b>                  |

| <b>Particulars</b>   | <b>As at March 31st, 2023</b> |
|----------------------|-------------------------------|
| Adani Wilmar Limited | 3.76                          |
| ARTEMIS MEDI-EQ1/-   | 0.76                          |
| Asahi India Glass    | 9.32                          |

|                          |               |
|--------------------------|---------------|
| BALMER LAWRIE EQUITY     | 7.25          |
| BOMBAY DYEING EQ 2/-     | 10.84         |
| CAPITAL TRUST LTD        | 3.84          |
| CESC-EQ1/-               | 2.21          |
| CLEAN SCIENCE-EQ1/-      | 11.76         |
| DYNAMIC CABLES-EQ        | 2.03          |
| Fluidomat Limited        | 1.48          |
| GEEKAY WIRES-EQ          | 1.22          |
| GEOJIT FIN-EQ RS 1/-     | 5.63          |
| GLOBAL HEALTH-EQ         | 3.46          |
| Grindwell Norton Limited | 3.73          |
| Himadri Specialities     | 23.39         |
| Hindusthan Construction  | 4.73          |
| HITACHI ENERGY IN-EQ     | 2.96          |
| IIFL FINANCE-EQ2/-       | 2.24          |
| INDIABULLS REAL - EQ     | 2.86          |
| MASTEK EQY (RS 5 PD)     | 0.46          |
| NAVNEET EDU-EQ RS 2      | 5.97          |
| NHPC LIMITED - EQ        | 5.13          |
| ORISSA MINERAL EQ1/-     | 3.54          |
| PRISM JOHNSON-EQ         | 2.19          |
| RAGHAV PRODUCT-EQ        | 5.85          |
| Redington (IND)          | 5.89          |
| STOVE KRAFT-EQ           | 5.37          |
| SUPREME PETRO-EQ2/-      | 3.43          |
| YES BANK LTD-EQ2/-       | 6.48          |
| <b>Total</b>             | <b>147.78</b> |

| <b>Particulars</b>        | <b>As at March 31st, 2022</b> |
|---------------------------|-------------------------------|
| Adani Wilmar Limited      | 8.47                          |
| Asahi India Glass         | 9.32                          |
| Bharat Wire Ropes Limited | 8.36                          |
| Bigbloc Construction      | 1.17                          |
| Easy Trip Planners        | 9.03                          |
| Engineers India Limited   | 3.20                          |
| Fluidomat Limited         | 2.97                          |
| Grindwell Norton Limited  | 3.60                          |
| Himadri Specialities      | 17.65                         |
| Hindusthan Construction   | 4.39                          |
| Jindal Saw Limited        | 0.90                          |
| J M Finance Limited       | 0.68                          |



| <b>Particulars</b>       | <b>As at March 31st, 2022</b> |
|--------------------------|-------------------------------|
| Liberty Shoes Limited    | 3.29                          |
| L & T Finance Holding    | 0.72                          |
| Manali Petrochem Limited | 3.79                          |
| MTNL                     | 1.13                          |
| NBCC (India) Limited     | 0.91                          |
| Redington (IND)          | 5.80                          |
| Saint Global             | 1.72                          |
| Supreme Petrochem        | 5.06                          |
| Gujarat Ambuja Limited   | 1.88                          |
| <b>Total</b>             | <b>94.03</b>                  |

**MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*The following discussion and analysis of our financial condition and results of operations for the Financial Years ended on 2024, 2023 and 2022 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled “Restated Financial Statements” beginning on page 139 of this Draft Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our restated financial statements are prepared in accordance with applicable Accounting Standards.*

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Prospectus. You should also read the section titled “Risk Factors” beginning on page 24 of this Draft Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Sodhani Academy of Fintech Enablers Limited (Formerly known as Sodhani Financial Consultants Limited), our Company. Unless otherwise indicated, financial information included herein are based on our “Restated Financial Statements” for the Financial Years ended on 2024, 2023 and 2022 included in this Draft Prospectus beginning on page 139 of this Draft Prospectus.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be “Forward Looking Statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

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

Key Performance Indicators of our Company:

| Particulars   | Fiscal 2024 | Fiscal 2023 | Fiscal 2022 |
|---|-------------|-------------|-------------|
| Revenue from Operations   | 205.08      | 137.58      | 185.89      |
| EBITDA <sup>(1)</sup>   | 241.27      | 175.44      | 173.40      |
| EBITDA Margin (%) <sup>(2)</sup>                                | 117.65%     | 127.52%     | 93.29%      |
| Restated profit for the period / year                           | 183.17      | 139.39      | 123.91      |
| Restated profit for the period / year Margin (%) <sup>(3)</sup> | 89.32%      | 101.32%     | 66.66%      |
| Return on Average Equity ("RoAE") (%) <sup>(4)</sup>            | 32.33%      | 34.01%      | 62.02%      |
| Return on Capital Employed ("RoCE") (%) <sup>(5)</sup>          | 36.77%      | 36.79%      | 51.27%      |
| Net Debt / EBITDA Ratio   | -           | 0.01        | 0.01        |

**OVERVIEW OF RESULT OF OPERATIONS**

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the financial years ended on March 31, 2024, 2023 and 2022.

| Particulars  | Year ended March 31st, |                   |               |                   |               |                   |
|--|------------------------|-------------------|---------------|-------------------|---------------|-------------------|
|  | 2024                   | % of Total Income | 2023          | % of Total Income | 2022          | % of Total Income |
| I. Revenue from Operations                                 | 205.08                 | 66.80%            | 137.58        | 67.62%            | 185.89        | 98.78%            |
| II. Other Income   | 101.87                 | 33.18%            | 65.87         | 32.38%            | 2.30          | 1.22%             |
| <b>III. Total Income (I+II)</b>                            | <b>306.95</b>          | <b>100.00%</b>    | <b>203.45</b> | <b>100.00%</b>    | <b>188.19</b> | <b>100.00%</b>    |
| <b>IV. Expenses</b>  |                        |                   |               | 0.00%             |               | 0.00%             |
| Employee Benefits Expenses                                 | 25.32                  | 8.25%             | 12.18         | 5.99%             | 1.50          | 0.80%             |
| Finance Costs  | -                      | 0.00%             | 0.01          | 0.00%             | 0.01          | 0.01%             |
| Depreciation and Amortization Expenses                     | 1.14                   | 0.37%             | -             | 0.00%             | -             | 0.00%             |
| Other Expenses   | 39.22                  | 12.78%            | 15.82         | 7.78%             | 13.28         | 7.06%             |
| <b>Total Expenses</b>                                      | <b>65.68</b>           | <b>21.39%</b>     | <b>28.01</b>  | <b>13.77%</b>     | <b>14.80</b>  | <b>7.86%</b>      |
| <b>V. Profit Before Exceptional Items and Tax (III-IV)</b> | <b>241.27</b>          | <b>78.59%</b>     | <b>175.44</b> | <b>86.23%</b>     | <b>173.40</b> | <b>92.14%</b>     |
| Exceptional Items  | -                      | 0.00%             | -             | 0.00%             | -             | 0.00%             |
| <b>Profit Before Tax</b>                                   | <b>241.27</b>          | <b>78.59%</b>     | <b>175.44</b> | <b>86.23%</b>     | <b>173.40</b> | <b>92.14%</b>     |
| <b>Income Tax Expense</b>                                  |                        | 0.00%             |               | 0.00%             |               | 0.00%             |
| Current Year   | 50.95                  | 16.60%            | 41.81         | 20.55%            | 50.25         | 26.70%            |
| Earlier Year   | 3.47                   | 1.13%             | -2.06         | -1.01%            | -             | 0.00%             |
| Deferred tax   | 3.67                   | 1.20%             | -3.71         | -1.82%            | -0.76         | -0.40%            |
| <b>Profit After Tax</b>                                    | <b>183.17</b>          | <b>59.66%</b>     | <b>139.39</b> | <b>68.51%</b>     | <b>123.91</b> | <b>65.84%</b>     |

#### COMPARISON OF FY 2023-24 WITH FY 2022-23

##### Income

###### Total Revenue

Our total revenue increased by ₹103.50 lakhs or 50.87% to ₹306.95 Lakh for the financial year 2023- 24 from ₹203.45 Lakh for the financial year 2022-23 due to the factors described below:

###### Revenue from operations

Our revenue from operations is ₹205.08 Lakhs for the financial year 2023-24 as compared to ₹137.58 Lakhs for the financial year 2022-23 representing an increase of 49.06% on account of increase in Income from our learning & training services. Also, there has been a rise in number of sessions undertaken and rise in fees collection over the last year.

###### Other Income

Our other income is ₹101.87 Lakhs for the financial year 2023-24 as compared to ₹65.87 Lakhs for the financial year 2022-23 representing an increase of 50.65% on account of profit from sale of shares/mutual fund and profit on sale of assets (property).

##### Expenses

Our total expense is ₹65.68 Lakhs for the financial year 2023- 24 as compared to ₹28.01 Lakhs for the financial year 2022-23 representing an increase of 134.49% due to the factors described below:

###### Employee benefits expenses

Our employee benefit expense is ₹25.32 Lakhs for the financial year 2023-24 as compared to ₹12.18 Lakhs for the financial year 2022-23 due to increase in Salaries paid to employees who have joined our organization during the period under review.

###### Finance costs

Our finance cost is nil for the financial year 2023-24 as compared to ₹0.01 Lakhs for the financial year 2022-23. The company does not have any outstanding borrowings during the period under review.

Depreciation and Amortization Expenses

Our depreciation expenses are ₹1.14 Lakhs for the financial year 2023-24 as compared to nil for the financial year 2022-23. The company had purchased new assets during the period under review on which it incurred depreciation.

Other expenses

Our other expenses increased by 147.91% to ₹39.22 Lakhs for the financial year 2023-24 from ₹15.82 Lakhs for the financial year 2022-23. The increase was attributable to increase in training expenses paid for training sessions, payment of rent, legal & professional fees during the period under review.

**Profit before tax**

Our profit before tax increased by 37.52% to ₹241.27 Lakhs for the financial year 2023-24 from ₹175.44 Lakhs for the financial year 2022-23. The increase was mainly due to the factors described above.

**Tax expenses**

Our tax expenses for the financial year 2023-24 amounted to ₹58.10 Lakhs as against tax expenses of ₹36.85 Lakhs for the financial year 2022-23. The net increase of ₹21.25 is on account of increase in current tax with deferred tax assets and earlier year taxes due to increase in total income.

**Profit After Tax**

Our profit after tax increased by 23.90% to ₹183.17 Lakhs for the financial year 2023-24 from ₹139.39 Lakhs for the financial year 2022-23, reflecting a net increase of ₹43.78 Lakhs due to above mentioned reasons.

**OTHER KEY RATIOS**

The table below summarizes key ratios in our Restated Financial Statements for the financial years ended March 31, 2024, 2023 and 2022:

| Particulars                | For the financial year ended on March 31, |       |       |
|----------------------------|---|-------|-------|
|                            | 2024                                      | 2023  | 2022  |
| Fixed Asset Turnover Ratio | 2.75                                      | 2.13  | 4.14  |
| Current Ratio              | 33.87                                     | 10.72 | 10.46 |
| Debt Equity Ratio          | -   | 0.01  | 0.01  |

**Fixed Asset Turnover Ratio:** This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

**Current Ratio:** This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

**Debt Equity Ratio:** This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

**CASH FLOWS**

The table below summaries our cash flows from our Restated Financial Statements for the financial years 2024, 2023 and 2022:

(₹ in Lakhs)

| Particulars  | For the financial year ended on March 31, |         |         |
|--|---|---------|---------|
|  | 2024                                      | 2023    | 2022    |
| Net cash (used in)/ generated from operating Activities  | 226.45                                    | 56.45   | 130.07  |
| Net cash (used in)/ generated from investing Activities  | -254.22                                   | -161.16 | -130.21 |
| Net cash (used in)/ generated from financing Activities  | -2.65                                     | -1.44   | 156.61  |
| Net increase/ (decrease) in cash and cash Equivalents    | -30.42                                    | -106.15 | 156.47  |
| Cash and Cash Equivalents at the beginning of the period | 51.98                                     | 158.13  | 1.66    |
| Cash and Cash Equivalents at the end of the Period       | 21.55                                     | 51.97   | 158.13  |

### Cash Flows from Operating Activities

#### Financial year 2023-24

Our net cash from operating activities was ₹226.45 Lakhs for the financial year ended on March 31, 2024. Our operating profit before working capital changes was ₹230.64 Lakhs for the said financial year which was primarily adjusted against, increase in trade receivables by ₹28.61 Lakhs, decrease in other current assets by ₹1.84 Lakhs, short term loans and advances by ₹37.75 Lakhs, in other current liabilities by ₹17.70 Lakhs, decrease in short term provision by ₹0.05 Lakhs which was further decreased by payment of Income Tax of ₹50.95 Lakhs.

#### Financial year 2022-23

Our net cash used in operating activities was ₹ 71.17 Lakhs for the financial year ended on March 31, 2023. Our operating profit before working capital changes was ₹182.79 Lakhs for the financial year 2022-23 which was primarily adjusted against, increase in trade receivables by ₹29.00 Lakhs, increase in other current assets by ₹7.12 Lakhs, increase in short term loans and advances by ₹34.91 Lakhs, increase in other current liabilities by ₹9.69 Lakhs, decrease in short term provision by ₹8.47 Lakhs which was further decreased by payment of Income Tax of ₹41.81 Lakhs.

#### Financial year 2021-22

Our net cash used in operating activities was ₹132.94 Lakhs for the financial year ended on March 31, 2022. Our operating profit before working capital changes was ₹175.65 Lakhs for the financial year 2021-22 which was primarily adjusted against increase in Other Current Assets by ₹2.17 Lakhs, increase in short term loans and advances by ₹5.81 Lakhs, increase in other current liabilities by ₹11.88 Lakhs, increase in short term provision by ₹3.64 Lakhs which was further decreased by payment of Income Tax of ₹50.25 Lakhs.

### Cash Flows from Investing Activities

#### Financial year 2023-24

Our net cash used in investing activities was ₹254.22 Lakhs for the financial year 2023-24. These were on account of net purchase of Property, Plant & Equipment of ₹10.16 Lakhs, increase in non-current investment of ₹287.55 Lakhs, in current investment of ₹40.61 Lakhs, dividend income of ₹1.72 Lakhs, and interest income of ₹1.15 Lakhs.

#### Financial year 2022-23

Our net cash used from investing activities was (₹175.88) Lakhs for the financial year 2022-23. These were on account of

Purchase of Property, Plant & Equipment of ₹19.54 Lakhs, increase in non-current investment of ₹130.46 Lakhs, increase in current investment of ₹33.23 Lakhs dividend income of ₹2.16 Lakhs, and interest income of ₹5.20 Lakhs.

Financial year 2021-22

Our net cash used from investing activities was (₹133.08) Lakhs for the financial year 2021-22. These were on account of, increase in non-current investment of ₹38.00 Lakhs, increase in current investment of ₹95.70 Lakhs dividend income of ₹0.26 Lakhs, and interest income of ₹0.36 Lakhs.

Financial year 2020-21

Our net cash used from investing activities was ₹10.33 Lakhs for the financial year 2020-21. These were on account of Sale of Property, Plant & Equipment of ₹17.54 Lakhs, decrease in non-current investment of ₹0.55 Lakhs, increase in current investment of ₹6.69 Lakhs, and dividend income of ₹0.04 Lakhs.

**Cash Flows from Financing Activities**

Financial year 2023-24

Net cash used in financing activities for the financial year March 31, 2024 was ₹2.65 Lakhs which was primarily on account of decrease in short-term borrowings.

Financial year 2022-23

Net cash generated from financing activities for the financial year March 31, 2023 was (₹1.44) Lakhs which was primarily on account of decrease in short-term borrowings of ₹1.45 lakhs, and finance costs of ₹0.01 lakhs

Financial year 2021-22

Net cash generated from financing activities for the financial year March 31, 2022 was ₹156.61 Lakhs which was primarily on account of increase in share capital ₹153 Lakhs, increase in short-term borrowings of ₹3.60 lakhs, and finance cost of ₹0.01 Lakhs.

## OFFER STRUCTURE

The details of Net Offer to Public and Market Maker Reservation at all relevant positions shall be updated as follows:

Initial Public Offer of up to 15,30,000 Equity Shares for cash at an Offer Price of ₹ [●] per Equity Share comprising of Fresh Offer of up to 9,70,000 Equity Shares for cash at an Offer Price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs by our Company and Offer for sale of up to 5,60,000 Equity Shares for cash at an Offer Price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs by the Selling Shareholders.

The Offer comprises a reservation of up to **78,000** Equity Shares of face value of ₹10.00 each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Offer to Public of up to **14,52,000** Equity Shares of face value of ₹10.00each (“the Net Offer”). The Offer and the Net Offer will constitute [●] % and [●] %, respectively of the post Offer paid-up equity share capital of the Company. The Offer is being made through the Fixed Price Process.

| Particulars   | Net Offer to Public   | Market Maker Reservation Portion           |
|---|---|--|
| Number of Equity Shares available for allocation <sup>(1)</sup> | 14,52,000 Equity Shares   | 78,000 Equity Shares                       |
| Percentage of Offer Size available for Allocation               | [●] of the Offer Size   | [●] % of the Offer Size                    |
| Basis of Allotment  | Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each <sup>(1)</sup><br><br>For further details please refer section explaining the Basis of Allotment in the GID  | Firm Allotment                             |
| Mode of Application <sup>^</sup>                                | All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Individual Investors using Syndicate ASBA)   |  |
| Mode of Allotment   | Compulsorily in dematerialized form   |  |
| Minimum Application Size  | <i>For Other than Retail Individual Investors:</i><br><br>Such number of Equity Shares in multiples of <b>7,26,000</b> Equity Shares such that the Application Value exceeds ₹ 2,00,000<br><br><i>For Retail Individuals Investors:</i><br><br>Such number of Equity Shares in multiples of <b>7,26,000</b> Equity Shares such that the Application Value does not exceed ₹ 2,00,000        | 78,000 Equity Shares of Face Value ₹ 10.00 |
| Maximum Application Size  | <i>For Other than Retail Individual Investors:</i><br><br>Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to applicable limits to the Applicant<br><br><i>For Retail Individuals Investors:</i><br><br>Such number of Equity Shares in multiples of [●] Equity Shares such that the application value does not exceed ₹2,00,000 | 78,000 Equity Shares of Face Value ₹ 10.00 |

## OTHER REGULATORY AND STATUTORY APPROVALS

### ELIGIBILITY OF THE OFFER

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

This Offer is being made in terms of Regulation 229(1) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Offer face value capital does not exceed ten crores’ rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

Each of the Selling Shareholders has, severally and not jointly, confirmed that it has held its respective portion of offered shares for a period of at least one year prior to the date of filing of this Draft Prospectus and that it is in compliance with the SEBI ICDR Regulations and are eligible for being offered in the Offer for sale.

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on February 03, 2009 under the Companies Act, 1956 with the Registrar of Companies Rajasthan, Jaipur.
2. The Post-Offer Paid-Up Capital of the Company shall not be more than rupees twenty-five crores.
3. (i) The Net Worth of our Company as on March 31, 2024 are Rs.656.22 Lakhs and hence is Positive.  
(ii) Our Company has Positive Cash Accruals in preceding financial years 2024, 2023 and 2022.  
(iii) Our Net Tangible Assets are Rs.660.04 Lakhs as on March 31, 2024.

The Net Worth, Cash Accruals and Net Tangible Assets of the Company as per the Restated Financial Statements of our Company for the Financial Year ended on March 31, 2024, March 31, 2023, March 31, 2022 are as set forth below:

(Rs.in lakhs)

| Particulars         | For the Financial Year ended on March 31 |        |        |
|---------------------|--|--------|--------|
|                     | 2024                                     | 2023   | 2022   |
| Net Worth           | 656.22                                   | 476.85 | 338.25 |
| Cash Accruals       | 242.41                                   | 175.44 | 173.40 |
| Net Tangible Assets | 660.04                                   | 501.57 | 363.20 |

- (1) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) after deducting miscellaneous expenditure not written off, if any.
- (2) Cash accruals has been defined as the Earnings before depreciation and tax from operations.
- (3) Net Tangible Assets are defined as the sum of total assets minus intangible assets

4. Our Company has completed its operation for three years.
5. Our company has website: [www.safefintech.in](http://www.safefintech.in).

### Other Disclosures:

1. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
2. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.



3. There is no winding up petition against the company, which has been accepted by the National Company Law Tribunal (NCLT).
4. There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
5. Our company shall facilitate trading in demat securities before filing Prospectus with ROC, our company has entered into an agreement with both the depositories.
6. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

1. 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 BSE SME. BSE is the Designated Stock Exchange.
2. Our Company has entered into an agreement dated June 07, 2023 with NSDL and agreement dated June 06, 2023 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
3. The entire pre-Offer capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be offered pursuant to this IPO will be fully paid-up.
4. The entire Equity Shares held by the Promoters are in the dematerialization form.
5. Since the entire fund requirement are to be funded from the proceeds of the Offer, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Offer.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

1. Neither our Company nor our Promoters, Selling Shareholders, members of our Promoter Group or our Directors is debarred from accessing the capital markets by the SEBI.
2. None of our Promoters or Directors is Promoter or director of any other companies which are debarred from accessing the capital markets by the SEBI.
3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.
4. None of our Promoters or Directors is a fugitive economic offender.

We further confirm that:

1. In accordance with Regulation 246 of the SEBI ICDR Regulations, the lead manager shall ensure that the issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Offer has been one hundred percent (100%) underwritten and that the Lead Manager to the Offer has underwritten at least 15% of the Total Offer Size. For further details, pertaining to said underwriting please see “*General Information*” beginning on page 43 of this Draft Prospectus.

3. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable laws.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Addendum to the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as Amended, or the rules made there 137 under or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Addendum to the Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

|  |  |
|--|--|
| Sd/-<br><b>Priya Sodhani</b><br>Chairperson and Non-Executive Director<br><b>DIN: 02523843</b>       | Sd/-<br><b>Rajesh Kumar Sodhani</b><br>Managing Director<br><b>DIN: 02516856</b>                   |
| Sd/-<br><b>Dhiraj Malhotra</b><br>Non-Executive and Non-Independent Director<br><b>DIN: 07528401</b> | Sd/-<br><b>Jagadeesh Atukuri</b><br>Non-Executive and Independent Director<br><b>DIN: 08478109</b> |
| Sd/-<br><b>Shilpa Maheshwari</b><br>Non-Executive and Independent Director<br><b>DIN: 07431117</b>   | Sd/-<br><b>Deepak Kapoor</b><br>Non-Executive and Independent Director<br><b>DIN: 10159949</b>     |

### **SIGNED BY THE COO OF OUR COMPANY**

|   |
|---|
| Sd/-<br><b>Mr. Sanjay Bhatia</b><br>Chief Operating Officer |
|---|

### **SIGNED BY THE CFO AND CS OF OUR COMPANY**



|   |   |
|---|---|
| Sd/-<br><b>Ms. Deepti Maheshwari</b><br>Chief Financial Officer | Sd/-<br><b>Ms. Monika Agarwal</b><br>Company Secretary and Compliance officer |
|---|---|

**Date:** June 29, 2024

**Place:** Jaipur



**Sodhani Academy of Fintech Enablers Limited**  
CIN: U67120RJ2009PLC028237

| Registered Office  |   | Contact Person  | Email and Telephone   | Website   |
|--|---|---|---|---|
| P.No. C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021, Rajasthan, India  |   | Ms. Monika Agarwal<br>Company Secretary and<br>Compliance Officer | <a href="mailto:safe.fintech3105@gmail.com">safe.fintech3105@gmail.com</a><br>0141-2358107  | <a href="http://www.safefintech.in">www.safefintech.in</a>  |
| <b>PROMOTERS OF OUR COMPANY: MR. RAJESH KUMAR SODHANI, MRS. PRIYA SODHANI AND RAJESH KUMAR SODHANI HUF</b>   |   |   |   |   |
| <b>DETAILS OF OFFER TO PUBLIC</b>  |   |   |   |   |
| Type   | Fresh Offer Size  | OFS Size  | Total Offer Size  | Eligibility 229(1) & share reservation among NII & RII  |
| Fresh Offer & OFS  | Up to 9,70,000 Equity Shares aggregating to ₹ [●] Lakhs | Up to 5,60,000 Equity Shares aggregating to ₹ [●] Lakhs           | Up to 15,30,000 Equity Shares aggregating to ₹ [●] Lakhs  | The Offer is being made pursuant to Regulation 229(1) of SEBI ICDR Regulations. As the Company's post issue face value capital does not exceed ₹25.00 Crores. |
| <i>OFS: Offer for sale</i>   |   |   |   |   |
| <b>DETAILS OF OFS BY PROMOTER(S) SELLING SHAREHOLDERS</b>  |   |   |   |   |
| NAME   |   | NO OF SHARES OFFERED  | WACA PER EQUITY SHARE (IN ₹)  |   |
| Mr. Rajesh Kumar Sodhani   |   | Up to 4,75,000 Equity Shares                                      | 4.65  |   |
| Mrs. Priya Sodhani   |   | Up to 85,000 Equity Shares  | 4.61  |   |
| <i>WACA: Weighted Average Cost of Acquisition</i>  |   |   |   |   |
| <b>RISKS IN RELATION TO THE FIRST OFFER</b> – This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10/- each and the Offer Price is [●] times of the face value of the Equity Shares. The Offer Price (determined and justified by our Company and Selling Shareholders in consultation with the Lead Manager as stated in “Basis for Offer Price” on page 73 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.  |   |   |   |   |
| <b>GENERAL RISKS</b>   |   |   |   |   |
| Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 contents of this Draft Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 24 of this Draft Prospectus.  |   |   |   |   |
| <b>ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY</b>  |   |   |   |   |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, 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. Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements expressly made by such Selling Shareholder in this Draft Prospectus solely in relation to itself and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. |   |   |   |   |
| <b>LISTING</b>   |   |   |   |   |
| The Equity Shares offered through the Draft Prospectus are proposed to be listed on the SME Platform of BSE i.e., BSE SME. Our Company has received ‘in-principle’ approval from the BSE for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purpose of the Offer, the Designated Stock Exchange shall be BSE.  |   |   |   |   |
| <b>LEAD MANAGER TO THE OFFER</b>   |   |   |   |   |
| Name and Logo  |   | Contact Person  | Email & Telephone   |   |
|  <b>SRUJAN ALPHA<br/>CAPITAL ADVISORS</b><br>Adding Alpha to Value<br><b>SRUJAN ALPHA CAPITAL ADVISORS LLP</b>  |   | Mr. Jinesh Doshi  | <b>E-mail: <a href="mailto:jinesh@srujanalpha.com">jinesh@srujanalpha.com</a></b><br><b>Telephone: 022-46030709</b>               |   |
| <b>REGISTRAR TO THE OFFER</b>  |   |   |   |   |
|  <b>CAMEO</b><br><b>CORPORATE SERVICES LIMITED</b>  |   | Mr. R.D. Ramasamy   | <b>E-mail: <a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a></b><br><b>Telephone: 044 - 40020700/ 28460390</b> |   |
| <b>OFFER PROGRAMME</b>   |   |   |   |   |
| OFFER OPENS ON: [●]  |   |   | OFFER CLOSES ON: [●]  |   |



**SODHANI ACADEMY OF FINTECH ENABLERS LIMITED**

CIN: U67120RJ2009PLC028237

Our Company was originally incorporated as “Sodhani Financial Consultants Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 03, 2009 issued by the Registrar of Companies, Rajasthan, Jaipur. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to “Sodhani Financial Consultants Limited” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on March 09, 2023. The fresh certificate of incorporation dated April 10, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur.

Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on May 01, 2023, the name of our Company was changed from “Sodhani Financial Consultants Limited” to “Sodhani Academy of Fintech Enablers Limited”. The fresh certificate of incorporation dated May 15, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur. Bearing CIN U67120RJ2009PLC028237.

**Registered Office:** P No. C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021, Rajasthan, India

**Tel:** 0141- 2358107; **E-mail** safe.fintech3105@gmail.com; **Website:** www.safefintech.in

**Contact Person:** Ms. Monika Agarwal, Company Secretary and Compliance Officer

**OUR PROMOTERS: MR. RAJESH KUMAR SODHANI, MRS PRIYA SODHANI AND RAJESH KUMAR SODHANI HUF**

INITIAL PUBLIC OFFERING OF UP TO 15,30,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (“EQUITY SHARES”) OF SODHANI ACADEMY OF FINTECH ENABLERS LIMITED (“SODHANI” “SAFE” OR “OUR COMPANY” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO ₹ [●] LAKHS COMPRISING OF FRESH OFFER OF UP TO 9,70,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (“FRESH OFFER”) AND AN OFFER FOR SALE OF UP TO 5,60,000 EQUITY SHARES BY MR. RAJESH KUMAR SODHANI AND MRS. PRIYA SODHANI (“PROMOTERS SELLING SHAREHOLDERS”) AGGREGATING TO ₹ [●] LAKHS (“OFFER FOR SALE”) (“THE OFFER”) OF WHICH UP TO [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE OFFER LESS THE MARKETMAKER RESERVATION PORTION I.E. OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS (“NET OFFER”). THE OFFER AND THE NET OFFER WILL CONSTITUTE [●] % AND [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED “TERMS OF THE OFFER” BEGINNING ON PAGE 193 OF THIS DRAFT PROSPECTUS.

**THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH AND THE OFFER PRICE IS [●] TIMES OF THE FACE VALUE**

In terms of Rule 19(2)(b)(i) of the SCRR this Offer is being made for at least 25% of the post-offer paid-up Equity Share capital of our Company. This offer is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Offer is allocated for Retail Individual Investors and the balance shall be offered to individual applicants other than Retail Individual Investors and other investors including corporate bodies or institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Retail Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid applications being received from them at or above the Offer Price. Additionally, if the Retail Individual Investors category is entitled to more than 50% on proportionate basis, the Retail Individual Investors shall be allocated that higher percentage. All potential investors shall participate in the Offer only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIs, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Offer Procedure” beginning on page 206 of this Draft Prospectus. A copy will be filed with the Registrar of Companies as required under Section 26 and Section 28 of the Companies Act, 2013.

**RISK IN RELATION TO THE FIRST OFFER**

This being the first public offer of our Company, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is ₹10/- each and the Offer Price is [●] times of face value per Equity Share. The Offer Price (has been determined and justified by our Company and Selling Shareholders in consultation with the Lead Manager, as stated under chapter titled “Basis for Offer Price” beginning on page 73 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares is listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 contents of this Draft Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 24 of this Draft Prospectus.

**ISSUER’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY**



Our Company and Selling Shareholders, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, 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. Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements expressly made by such Selling Shareholders in this Draft Prospectus solely in relation to itself and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

**LISTING**

The Equity Shares offered through the Draft Prospectus are proposed to be listed on the SME Platform of BSE i.e., BSE SME. Our Company has received ‘in-principle’ approval from the BSE for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purpose of the Offer, the Designated Stock Exchange shall be BSE.

**LEAD MANAGER TO THE OFFER**

**REGISTRAR TO THE OFFER**

|   |  |
|---|--|
|  <p><b>SRUJAN ALPHIA</b><br/>CAPITAL ADVISORS</p>  |  <p><b>CAMEO</b></p>  |
| <p><b>SRUJAN ALPHA CAPITAL ADVISORS LLP</b><br/><b>Registered office:</b><br/>112A, 1st floor, Arun Bazar,<br/>S.V. Road, Beside Bank of India,<br/>Malad (West), Mumbai -400 064<br/><b>Corporate Office:</b><br/>824 &amp; 825, Corporate Avenue,<br/>Sonawala Road, opposite Atlanta Centre,<br/>Goregaon, Mumbai- 400064<br/><b>Tel:</b> 022 - 46030709<br/><b>E-mail:</b> jinesh@srujanalpha.com<br/><b>Website:</b> www.srujanalpha.com<br/><b>Contact Person:</b> Mr. Jinesh Doshi<br/><b>SEBI Registration Number:</b> INM000012829</p> | <p><b>Cameo Corporate Services Limited</b><br/><b>Registered office:</b><br/>Subramanian Building, No.1, Club House Road,<br/>Chennai 600 002, India<br/><b>Tel No:</b> 044 - 40020700/ 28460390<br/><b>Email:</b> investor@cameoindia.com<br/><b>Website:</b> www.cameoindia.com<br/><b>Contact Person:</b> Mr. R.D. Ramasamy<br/><b>SEBI Registration Number:</b> INR000003753</p> |

**OFFER PROGRAMME**

**OFFER OPENS ON: [●]**

**OFFER CLOSES ON: [●]**



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| DECLARATION   | 245        |

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Possible Tax Benefits*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provisions of the Articles of Association*” on page 78 139, 178, 106 and 230 respectively of this Draft Prospectus, shall have the meanings ascribed to such terms in the respective sections.

#### **GENERAL TERMS**

| <b>Term</b>   | <b>Description</b>   |
|---|--|
| Sodhani/ The Company /Our Company / The Issuer/ S A F E L / Sodhani Academy of Fintech Enablers Limited (Formerly known as Sodhani Financial Consultants Limited) | Sodhani Academy of Fintech Enablers Limited (Formerly known as Sodhani Financial Consultants Limited), a company incorporated under the Companies Act, 2013 having its registered office at P No. C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021, Rajasthan, India. |
| We / us / our   | Unless the context otherwise indicates or implies, refers to our Company   |
| you / your / yours  | Prospective Investors in this Offer  |

#### **COMPANY RELATED TERMS**

| <b>Term</b>                                | <b>Description</b>   |
|--|--|
| AoA/ Articles / Articles of Association    | The Articles of Association of our Company, as amended from time to time   |
| Audit Committee                            | The Audit Committee of our Company, in accordance with Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” beginning on page 119 of this Draft Prospectus  |
| Auditors / Statutory Auditors              | The Statutory Auditors of our Company, currently being M/s J C Kabra & Associates, Chartered Accountants, having their office at 301, D Definity, 1st J P Road, Near Anupam Talkies, Goregaon (East) Mumbai-400063, Maharashtra, India |
| Board of Directors / Board / Directors (s) | The Board of Directors of Sodhani Academy of Fintech Enablers Limited (Formerly known as Sodhani Financial Consultants Limited), including all duly constituted Committees thereof as the context may refer to                         |
| Chairman / Chairperson                     | The Chairman/ Chairperson of Board of Directors of our Company being Mrs. Priya Sodhani  |
| Chief Financial Officer / CFO              | The Chief Financial Officer of our Company is Ms. Deepti Maheshwari  |
| Company Secretary and Compliance Officer   | The Company Secretary and Compliance Officer of our Company is Ms. Monika Agarwal  |



| <b>Term</b>                           | <b>Description</b>  |
|---------------------------------------|---|
| Chief Operating Officer / COO         | The Chief Operating Officer of our Company is Mr. Sanjay Bhatia   |
| Corporate Identification Number / CIN | U67120RJ2009PLC028237   |
| Equity Shares                         | Equity Shares of our Company of Face Value of ₹10.00 each fully paid-up   |
| Equity Shareholders / Shareholders    | Persons/entities holding Equity Share of our Company  |
| Executive Directors                   | Executive Directors are the Managing Director & Whole Time Directors of our Company   |
| Group Company                         | Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, Group Companies shall include such companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in chapter titled “ <i>Our Group Company</i> ” beginning on Page 137 of this Draft Prospectus |
| Independent Director(s)               | Independent Directors on the Board, and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI LODR Regulations. For details of the Independent Directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 116 of this Draft Prospectus  |
| ISIN                                  | International Securities Identification Number. In this case being INE0Q3401017   |
| Key Management Personnel / KMP        | Key Managerial Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 119 of this Draft Prospectus   |
| Learners                              | Students, graduates, professionals, non-working individuals and homemakers.   |
| Materiality Policy                    | The policy adopted by our Board for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.  |
| Managing Director                     | The Managing Director of our Company being Mr. Rajesh Kumar Sodhani   |
| MOA / Memorandum of Association       | The Memorandum of Association of our Company, as amended from time to time  |
| Nomination and Remuneration Committee | The Nomination and Remuneration Committee of our Company, constituted in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 119 of this Draft Prospectus  |
| Non-Executive Director                | A Director not being an Executive Director  |
| Promoters                             | The Promoters of our Company are Mr. Rajesh Kumar Sodhani, Mrs. Priya Sodhani and Rajesh Kumar Sodhani HUF  |
| Promoter Group                        | Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI ICDR Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 131 of this Draft Prospectus  |
| Registered Office                     | The Registered Office of our Company situated at P No. C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021, Rajasthan, India.   |
| Registrar of Companies / RoC          | Registrar of Companies, Jaipur, Rajasthan situated Corporate Bhawan, C/6-7, First Floor, Residency Area, Civil Lines, Jaipur-302001, Rajasthan, India   |
| Restated Financial Statements         | Restated Financial Statements of our Company as at Financial Years ended on March 31, 2023, 2022 and 2021 (prepared in accordance with the Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations) which comprises the restated Statement of Assets & Liabilities, the restated Statement of Profit and Loss and restated Statement of Cash Flows along with all the schedules and notes thereto  |
| Senior Management                     | Senior Management of our Company in terms of Regulation 2(1)( b) of the SEBI ICDR Regulations and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 119 of this Draft Prospectus   |
| Stakeholders’ Relationship Committee  | The Stakeholders’ Relationship Committee of our Company, constituted in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 119 of this Draft Prospectus   |

## KEY PERFORMANCE INDICATORS

| Key Financial Performance                    | Explanations   |
|--|--|
| Revenue from Operations                      | Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business. Revenue from operation means revenue from sale of services                                   |
| EBITDA                                       | EBITDA provides information regarding the operational efficiency of the business. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses   |
| EBITDA Margin                                | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations   |
| PAT  | Profit after tax provides information regarding the overall profitability of the business.   |
| PAT Margin                                   | PAT Margin (%) is an indicator of the overall profitability and financial performance of the business. PAT Margin is calculated as PAT for the period/year divided by revenue from operations  |
| Restated profit for the year / period margin | Restated profit for the year / period Margin is the ratio of Restated profit for the year / period to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business. |
| Return on Average Equity ("RoAE"):           | RoAE is indicative of the profit generation by our Company against the equity contribution. RoAE refers to Restated profit for the year / period divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period.    |
| Return on Capital Employed ("RoCE")          | RoCE is indicative of the profit generation by our Company against the capital employed. RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period.  |
| Net Debt/ EBITDA                             | Net Debt to EBITDA is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. It shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant                     |

## OFFER RELATED TERMS

| Term  | Description   |
|---|---|
| Abridged Prospectus                                     | Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf. Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form |
| Acknowledgement Slip                                    | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form   |
| Allot / Allotment / Allotted/Allotment of Equity shares | Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Offer to the successful applicants, including transfer of the Equity Shares pursuant to the Offer for Sale to the successful applicants                 |
| Allotment Advice  | A note or advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange  |
| Allotment Date  | Date on which the Allotment is made   |
| Allottees   | The successful applicant to whom the Equity Shares are being / have been allotted   |
| Applicant / Investor                                    | Any prospective investor who makes an application pursuant to the terms of the Prospectus. All the applicants should make application through ASBA only   |
| Application lot   | [●] Equity Shares and in multiples thereof  |
| Application Amount                                      | The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this Draft Prospectus  |

| <b>Term</b>                                       | <b>Description</b>   |
|---|--|
| Application Supported by Blocked Amount/ ASBA     | An application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by RIIs using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism   |
| ASBA Account                                      | Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Application Amount of the Applicant  |
| ASBA Applicant(s)                                 | Any prospective investors in the Offer who intend to submit the Application through the ASBA process   |
| ASBA Application / Application                    | An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus  |
| ASBA Form   | An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of the Prospectus   |
| Banker(s) to the Offer                            | The banks which are Clearing Members and registered with SEBI as Banker to an Offer with whom the Escrow Agreement is entered and in this case being [●]   |
| Banker(s) to the Offer and Sponsor Bank Agreement | Agreement dated [●], entered into between our Company, Selling Shareholders, Lead Manager, the Registrar to the Offer, Banker to the Offer and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.  |
| Basis of Allotment                                | The basis on which the Equity Shares will be Allotted to successful Applicants under the Offer and which is described in the chapter titled “Offer Procedure” beginning on page 203 of this Draft Prospectus   |
| Broker Centres                                    | Broker Centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange   |
| BSE SME   | SME Platform of BSE for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations   |
| CAN / 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  |
| Collecting Depository Participant(s) or CDP(s)    | 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. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI   |
| Controlling Branches                              | Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Offer and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time  |
| Collection Centres                                | Centres at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centres for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs   |
| Demographic Details                               | The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable)  |
| Designated CDP Locations                          | Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange  |
| Designated Date                                   | The date on which relevant amounts are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Offer |

| <b>Term</b>                                  | <b>Description</b>  |
|--|---|
| Designated Intermediaries / Collecting Agent | <p>In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs</p> <p>In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs</p> |
| Designated Market Maker                      | [●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations  |
| Designated Locations                         | RTA<br>Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange  |
| Designated Branches                          | SCSB<br>Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), 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> or at such other website as may be prescribed by SEBI from time to time   |
| Designated Exchange                          | Stock<br>BSE SME  |
| Draft Prospectus                             | This Draft Prospectus issued in accordance with the SEBI ICDR Regulations and Section 26 of the Companies Act which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto   |
| Eligible NRI(s)                              | NRIs from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the ASBA Form and the Draft Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants  |
| Eligible QFIs                                | Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Offer and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations  |
| First Applicant                              | Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint applications, whose name shall also appear as the first holder of the beneficiary account held in joint names   |
| Foreign Institutional Investors/ FII         | Foreign Institutional Investor as defined under SEBI FII Regulations registered with SEBI under applicable laws in India  |
| Foreign Portfolio Investor / FPIs            | Foreign Portfolio Investor as defined under SEBI FPI Regulations  |
| Fresh Offer                                  | The fresh offer of up to 9,70,000 Equity Shares at a price of ₹ [●] per equity share aggregating up to ₹ [●] Lakhs to be issued by our Company as part of this Offer, in terms of the Prospectus  |

| Term                                | Description   |
|-------------------------------------|---|
| General Information Document or GID | The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, and the UPI Circulars, as amended from time to time issued by SEBI. The General Information Document is available on the websites of the Stock Exchange and the LM |
| LM / Lead Manager                   | Lead Manager to the Offer, in this case being Srujan Alpha Capital Advisors LLP   |
| Listing Agreement                   | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE  |
| Lot Size                            | The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants   |
| Market Maker Reservation Portion    | The Reserved portion of up to [●] Equity shares of ₹10.00 each at an Offer Price of ₹ [●] aggregating up to ₹ [●] Lakhs for Designated Market Maker in the Public Offer of our Company  |
| Market Making Agreement             | The Agreement among the Market Maker, the Lead Manager and our Company dated [●]  |
| Mobile App(s)                       | The mobile applications listed on the website of SEBI at <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> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism. The mobile applications which may be used by RIIs to submit applications using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019   |
| Mutual Fund                         | A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended  |
| Net Offer                           | The Net Offer (excluding Market maker portion) of up to [●] Equity Shares of ₹10.00 each at price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs   |
| Net Proceeds                        | The Gross Proceeds from the Fresh Offer less the Offer related expenses in relation to the Fresh Offer. For further details regarding the use of the Net Proceeds and the Offer expenses, see "Objects of the Offer" beginning on page 65 of this Draft Prospectus  |
| Non - Institutional Investor        | All Investors including FPIs that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for a cumulative amount more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)   |
| Non-Resident / NR                   | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI   |
| OCB / Overseas Corporate Body       | Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.  |
| Offer                               | This Initial Public Offer of up to 15,30,000 Equity Shares for cash at an Offer Price of ₹ [●] per Equity Share comprising of Fresh Offer of up to 9,70,000 Equity Shares for cash at an Offer Price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs by our Company and Offer for sale of up to 5,60,000 Equity Shares for cash at an Offer Price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs by the Selling Shareholders   |
| Offer Agreement                     | The agreement dated July 11, 2023, entered amongst our Company, Selling Shareholders and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer  |
| Offer Closing date                  | The date on which the Offer closes for subscription being [●]   |
| Offer Opening date                  | The date on which the Offer opens for subscription being [●]  |

| <b>Term</b>                              | <b>Description</b>  |
|--|---|
| Offer Period                             | The period between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants can submit their applications inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of applicants.<br><br>Our Company and Selling Shareholders, in consultation with the Lead Manager, may decide to close applications by QIBs One (1) day prior to the Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Offer Opening Date was published |
| Offer Price                              | The price at which the Equity Shares are being offered by our Company and the Selling Shareholders in consultation with the Lead Manager under this Draft Prospectus being ₹ [●] per Equity share   |
| Offer Proceeds                           | The proceeds of the Fresh Offer which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders   |
| Offered Shares                           | Up to 5,60,000 Equity Shares offered by the Selling Shareholders in the Offer by way of Offer for Sale  |
| Offer for Sale                           | An offer for sale of up to 5,60,000 Equity Shares aggregating up to ₹ [●] Lakhs by the Selling Shareholders as part of this Offer, in terms of the Prospectus   |
| 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 to be filed with the RoC in accordance with Section 26 and 38 of the Companies Act, 2013 containing, inter alia, the Offer opening and closing dates and other information   |
| Public Offer Account                     | Account opened with Bankers to the Offer under section 40(3) of the Companies Act, 2013 for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date   |
| Qualified Institutional Buyers / QIBs    | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations  |
| Refund Account                           | The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made. Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable   |
| Refund Bank(s)                           | The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made. Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable   |
| Registered Brokers                       | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI  |
| Registrar / Registrar to the Offer       | Registrar to the Offer being Cameo Corporate Services Limited   |
| Registrar Agreement                      | The agreement dated July 12, 2023 among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer  |
| Registrar and Share Transfer Agents/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  |
| Retail Individual Investors / RIIs       | Individual Applicants or minors applying through their natural guardians (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹2,00,000 in this Offer   |
| Revision Form                            | Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Investors can revise their Application during the Offer Period or withdraw their Applications until Offer Closing Date  |

| <b>Term</b>  | <b>Description</b>  |
|--|---|
| Self-Certified Syndicate Bank(s) / SCSBs             | A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>  |
| Selling Shareholders                                 | Mr. Rajesh Kumar Sodhani and Mrs. Priya Sodhani   |
| Share Escrow Agent                                   | Share Escrow Agent appointed pursuant to the Share Escrow Agreement, in this case being, [●]  |
| Share Escrow Agreement                               | Agreement dated [●] entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by each Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees  |
| Specified Locations                                  | Centres where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI  |
| Sponsor Bank   | A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public Offer in terms of applicable SEBI requirements and has been appointed by the Company, the Selling Shareholders in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●]  |
| Systemically Important Non-Banking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations   |
| TRS / Transaction Registration Slip                  | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application   |
| Underwriter  | The Underwriter in this case is [●]   |
| Underwriting Agreement                               | The Agreement among the Underwriters, our Company and the Selling Shareholders dated [●]  |
| Unified Payments Interface / UPI                     | The instant payment system developed by the National Payments Corporation of India  |
| UPI Applicants                                       | Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, and individuals applying as Non-Institutional Investors with a Application Amount of up to ₹5,00,000 in the Non-Institutional Portion, using the UPI Mechanism through ASBA Form(s) with the Designated Intermediaries<br><br>Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹5,00,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity) |



| Term                | Description   |
|---------------------|---|
| UPI Circulars       | The bidding mechanism that may be used by an RII to make an Application in the Offer in accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022//75 dated May 30, 2022 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 Payments Corporation of India (NPCI)  |
| UPI Mandate Request | A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment. 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, 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 |
| UPI mechanism       | The Application mechanism that may be used by an RII to make an Application in the Offer in accordance the UPI Circulars to make an ASBA Applicant in the Offer   |
| UPI PIN             | Password to authenticate UPI transaction  |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended   |
| Working Day         | Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Offer Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars  |

## INDUSTRY RELATED TERMS

| Term | Description  |
|------|--|
| EMDE | Emerging Market and developing economies is the economy of a developing nation that is becoming more engaged with global markets as it grows.  |
| GDP  | Gross Domestic Product is a monetary measure of the market value of all the final goods and services produced in a specific time period by a country or countries. It is most often used by the government of a single country to measure its economic health.   |
| IMP  | International Monetary Fund works to achieve sustainable growth and prosperity for all of its 190 member countries. It does so by supporting economic policies that promote financial stability and monetary cooperation, which are essential to increase productivity, job creation, and economic well-being. |
| WTO  | World Trade Organization is an intergovernmental organization that regulates and facilitates international trade.  |
| IBEF | India Brand Equity Foundation is a Trust established by the Department of Commerce, Ministry of Commerce and Industry, Government of India. IBEF's primary objective is to promote and create international awareness of the Made in India label in markets overseas   |



|        |   |
|--------|---|
|        | and to facilitate the dissemination of knowledge of Indian products and services.   |
| HFI    | High Frequency Indicators also known as High Frequency Data is a data that is collected at higher frequency or more often than traditional datasets.  |
| CAD    | Current Account Deficit occurs when the nation sends more money in abroad than it receives.   |
| CPI    | Consumer Price Index is the measure of changes in the price level of a basket of consumer goods and services bought by households.  |
| WPI    | Wholesale Price Index measures overall change in producer prices over time. It is a measure of inflation based on the prices of goods before they reach consumers.  |
| CAGR   | The compound annual growth rate is the <u>rate of return</u> (RoR) that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each period of the investment's life span. |
| ITI    | Industrial training institutes is a qualification and are post-secondary schools in India constituted under the Directorate General of Training   |
| FDI    | Foreign Direct Investment is <i>an ownership stake in a foreign company or project made by an investor, company, or government from another country.</i>  |
| MOOCS  | Massive Online Open Courses or an open online course is an online course aimed at unlimited participation and open access via the Web.  |
| SWAYAM | Study Webs of Active-Learning for Young Aspiring Minds  |
| RMSA   | Rashtriya Madhyamik Shiksha Abhiyan   |
| MHRD   | Ministry of Human Resource Development  |
| PTR    | Pupil-Teacher Ratio   |
| ECCE   | Early Childhood Care Education,   |
| NCERT  | National Council for Educational Research and Training  |
| SCERT  | State Council for Educational Research and Training   |
| DIKSHA | Digital Infrastructure for Knowledge Sharing  |
| NSFE   | National Strategy for Financial Education   |
| MSME   | Micro Small and Medium Enterprises  |
| CDSL   | Central Depository Services Limited is an Indian ventral Securities depository which facilitates holding and transacting in securities in the electronic form and settlement of trades on the stock exchanges.  |
| NSDL   | National Securities Depository Limited is an Indian central securities depository, based in Mumbai. It is the first electronic securities depository in India with national coverage.   |
| DMAT   | Dematerialization Account   |

## CONVENTIONAL TERMS / ABBREVIATIONS

| Term   | Description   |
|--|---|
| A/c  | Account   |
| ACS  | Associate Company Secretary   |
| AGM  | Annual General Meeting  |
| AIF  | Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations   |
| AS / Accounting Standards                                    | Accounting Standards as issued by the Institute of Chartered Accountants of India                   |
| ASBA   | Applications Supported by Blocked Amount  |
| AY   | Assessment Year   |
| Banking Regulation Act                                       | Banking Regulation Act, 1949  |
| BN   | Billion   |
| BSE  | BSE Limited   |
| CAGR   | Compound Annual Growth Rate   |
| CARO   | Companies (Auditor's Report) Order, 2016, as amended  |
| Category I Foreign Portfolio Investor(s) / Category I FPIs   | FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations  |
| Category II Foreign Portfolio Investor(s) / Category II FPIs | FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations |

| <b>Term</b>  | <b>Description</b>   |
|--|--|
| Category III Foreign Portfolio Investor(s) / Category III FPIs | FPIs who are registered as “Category III Foreign Portfolio Investors” under the SEBI FPI Regulations   |
| CDSL   | Central Depository Services (India) Limited  |
| CFPI   | Consumer Food Price Index  |
| CFO  | Chief Financial Officer  |
| CGST Act   | Central Goods and Services Tax Act, 2017   |
| CIBIL  | Credit Information Bureau (India) Limited  |
| CIN  | Company Identification Number  |
| CIT  | Commissioner of Income Tax   |
| Client ID  | Client identification number of the Applicant’s beneficiary account  |
| Companies Act  | Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification |
| Companies Act, 1956  | The Companies Act, 1956, as amended from time to time  |
| Companies Act, 2013  | The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date  |
| CSR  | Corporate Social Responsibility  |
| CST  | Central Sales Tax  |
| COVID – 19   | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020   |
| CPI  | Consumer Price Index   |
| CY   | Calendar Year  |
| Depositories   | A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, CDSL and NSDL  |
| DPIIT  | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India  |
| Depositories Act   | Depositories Act, 1996   |
| DIN  | Director Identification Number   |
| DP   | Depository Participant, as defined under the Depositories Act 1996   |
| DP ID  | Depository Participant’s identification  |
| EBITDA   | Earnings before Interest, Taxes, Depreciation and Amortization   |
| ECS  | Electronic Clearing System   |
| EGM/ EoGM  | Extra-ordinary General Meeting   |
| EMDEs  | Emerging Markets and Developing Economies  |
| EPS  | Earnings Per Share   |
| EPFO   | Employees’ Provident Fund Organization   |
| EPF Act  | The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952  |
| ESIC   | Employee State Insurance Corporation   |
| ESOP   | Employee Stock Option Plan   |
| ESPS   | Employee Stock Purchase Scheme   |
| FCNR Account   | Foreign Currency Non-Resident Account  |
| FDI  | Foreign Direct Investment  |
| FEMA   | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder  |
| FEMA Regulations   | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017   |
| FIIIs  | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017) registered with SEBI under applicable laws in India  |
| FIPB   | Foreign Investment Promotion Board   |
| FPIs   | Foreign Portfolio Investors as defined under the SEBI FPI Regulations  |
| FTP  | Foreign Trade Policy   |
| Fugitive Economic Offender                                     | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018   |
| FVCI   | Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations  |

| <b>Term</b>                  | <b>Description</b>  |
|------------------------------|---|
| FY / Fiscal / Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated   |
| GDP                          | Gross Domestic Product  |
| GoI / Government             | Government of India   |
| GST                          | Goods & Services Tax  |
| HNIIs                        | High Net worth Individuals  |
| HUF                          | Hindu Undivided Family  |
| I.T. Act                     | Income Tax Act, 1961, as amended from time to time  |
| IAS Rules                    | Indian Accounting Standards, Rules 2015   |
| ICAI                         | The Institute of Chartered Accountants of India   |
| ICSI                         | Institute of Company Secretaries of India   |
| IFRS                         | International Financial Reporting Standards   |
| IGST Act                     | Integrated Goods and Services Tax Act, 2017   |
| IMF                          | International Monetary Fund   |
| Indian GAAP                  | Generally Accepted Accounting Principles in India   |
| Ind AS                       | Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 |
| IPO                          | Initial Public Offer  |
| IRDAI Investment Regulations | Insurance Regulatory and Development Authority (Investment) Regulations, 2016   |
| ISO                          | International Organization for Standardization  |
| IST                          | Indian Standard Time  |
| KM / Km / km                 | Kilo Meter  |
| KMP                          | Key Managerial Personnel  |
| Ltd                          | Limited   |
| MCA                          | Ministry of Corporate Affairs, Government of India  |
| Merchant Banker              | Merchant Banker as defined under the SEBI MB Regulations  |
| MoF                          | Ministry of Finance, Government of India  |
| MICR                         | Magnetic Ink Character Recognition  |
| MOU                          | Memorandum of Understanding   |
| NA / N. A.                   | Not Applicable  |
| NACH                         | National Automated Clearing House   |
| NAV                          | Net Asset Value   |
| NCLT                         | National Company Law Tribunal   |
| NBFC                         | Non-Banking Financial Company   |
| NECS                         | National Electronic Clearing Service  |
| NEFT                         | National Electronic Fund Transfer   |
| NOC                          | No Objection Certificate  |
| NPCI                         | National Payments Corporation of India  |
| NRE Account                  | Non-Resident External Account   |
| NRO Account                  | Non-Resident Ordinary Account   |
| NECS                         | National Electronic Clearing Service  |
| NSDC                         | National Skill Development Corporation  |
| NSDL                         | National Securities Depository Limited  |
| NSE                          | National Stock Exchange of India Limited  |
| p.a.                         | per annum   |
| P/E Ratio                    | Price/Earnings Ratio  |
| PAC                          | Persons Acting in Concert   |
| PAN                          | Permanent Account Number  |
| PAT                          | Profit After Tax  |
| PGDM                         | Post-Graduation Diploma in Management   |
| PLR                          | Prime Lending Rate  |
| PMI                          | Purchasing Managers' Index  |
| PPP                          | Purchasing power parity   |
| RBI                          | Reserve Bank of India   |
| Regulation S                 | Regulation S under the U.S. Securities Act  |
| RoC                          | Registrar of Companies  |

| <b>Term</b>                                  | <b>Description</b>   |
|--|--|
| ROE  | Return on Equity   |
| RONW   | Return on Net Worth  |
| Rupees / Rs. / ₹                             | Rupees, the official currency of the Republic of India   |
| RTGS   | Real Time Gross Settlement   |
| SCRA   | Securities Contract (Regulation) Act, 1956, as amended from time to time   |
| SCRR   | Securities Contracts (Regulation) Rules, 1957, as amended from time to time  |
| SEBI   | Securities and Exchange Board of India   |
| SEBI Act                                     | Securities and Exchange Board of India Act, 1992   |
| SEBI AIF Regulations                         | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended   |
| 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, 2019, as amended   |
| SEBI FVCI Regulations                        | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended  |
| SEBI ICDR Regulations                        | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended  |
| SEBI LODR Regulations                        | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended   |
| SEBI MB Regulations                          | Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended  |
| SEBI PIT Regulations                         | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended  |
| SEBI SAST Regulations                        | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended   |
| SEBI VCF Regulations                         | Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended   |
| Sec.   | Section  |
| Securities Act                               | U.S. Securities Act of 1933, as amended  |
| SGST Act                                     | State Goods and Services Tax Act, 2017   |
| SICA   | Sick Industrial Companies (Special Provisions) Act, 1985   |
| STT  | Securities Transaction Tax   |
| TIN  | Taxpayers Identification Number  |
| TDS  | Tax Deducted at Source   |
| UGST Act                                     | Union Territory Goods and Services Tax Act, 2017   |
| UPI  | Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account |
| US/United States                             | United States of America   |
| USD/ US\$/ \$                                | United States Dollar, the official currency of the Unites States of America  |
| VAT  | Value Added Tax  |
| VC   | Venture Capital  |
| VCF / Venture Capital Fund                   | Foreign Venture Capital Funds (as defined under SEBI VCF Regulations) registered with SEBI under applicable laws in India  |
| WIP  | Work in process  |
| Wilful Defaulter(s) or a Fraudulent Borrower | Wilful defaulter or a Fraudulent Borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations  |
| WHO  | World Health Organization  |
| WEO  | World Economic Outlook   |
| YoY  | Year on Year   |

## **PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA**

### **CERTAIN CONVENTIONS**

All references in this Draft Prospectus to ‘India’ are to the Republic of India and its territories and possessions and all references herein to the ‘Government’, ‘Indian Government’, ‘GoI’, ‘Central Government’ or the ‘State Government’ are to the GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time (“IST”).

Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year.

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, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

### **FINANCIAL DATA**

Unless stated otherwise, the financial statements in this Draft Prospectus are derived from our Financial Statements. The Restated Financial Statements included in this Draft Prospectus is for the period ended November 30, 2023 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 has been prepared in accordance with Indian GAAP and the Companies Act, and has been restated in accordance with the SEBI ICDR Regulations. For further information, see please refer section titled “*Restated Financial Statements*” beginning on page 137 of this Draft Prospectus.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the Restated Financial Statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 24,94 and 166 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the “*Restated Financial statements*” of our Company as beginning on page 139 of 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 “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

All references to the word ‘Lakh’ or ‘Lac’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten Lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

This Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should

not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## **DEFINITIONS**

For definitions, please refer the chapter titled “*Definitions and Abbreviations*” beginning on page 1 of this Draft Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 230 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## **INDUSTRY AND MARKET DATA**

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our failure to keep pace with rapid changes in technology;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel and trainers;
- Conflict of Interest with promoter group companies, the promoter group and other related parties;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Volatility of loan interest rates and inflation;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our inability to maintain or enhance our brand recognition;
- Inability to protect our IP or any third-party claims in relation to infringement of our existing intellectual property rights or in future;
- Inability to cater to the evolving learners preferences, in India and abroad, in the information technology industry;
- Failure to anticipate or successfully adopt and incorporate new technologies in our offerings;

- The occurrence of natural disasters or calamities; and
- Failure to successfully upgrade our service portfolio, from time to time.

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*” and chapter titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 24,94 and 166 of this Draft Prospectus, respectively.

By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Neither our Company, our Directors, Selling Shareholders, our Promoters, the Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and Selling Shareholders will ensure that investors in India are informed of material developments from the date of this Draft Prospectus until the time of the grant of listing and trading permission by the Stock Exchange. The Selling Shareholders shall ensure that it will keep the Company and LM informed of all material developments pertaining to its respective portion of the Equity Shares under the Offer for Sale and themselves, as Selling Shareholders from the date of the Prospectus until receipt of final listing and trading approvals by the Stock Exchange for this Offer, that may be material from the context of the Offer.



## **SECTION II - SUMMARY OF OFFER DOCUMENT**

The following is a general summary of certain disclosures and terms of the Offer included in this Draft Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Statements”, “Outstanding Litigation and Material Developments” and “Offer Procedure” on pages 24, 38, 52, 65, 82, 94, 133, 139, 178 and 206 respectively.

### **A. OVERVIEW OF BUSINESS**

Our company engaged in the business of providing training, consultancy and learning services. Our focus area of service delivery has been under the domain of financial literacy and awareness. Financial literacy and awareness domain broadly refers to the knowledge and understanding of various financial concepts and skills that enable learners to make informed and responsible decisions regarding financial matters. It encompasses the ability to manage money effectively, budget wisely, save and invest prudently, and comprehend basic financial products and services. We believe a strong foundation in financial literacy empowers learners to navigate the complexities of the financial world, make sound financial choices, and plan for their future financial well-being. Our training, consultancy and learning services have majorly been focused in the areas of financial planning, fundamental analysis, technical analysis, basics of stock market and retirement planning.

For more details, please refer chapter titled “Our Business” beginning on page 94 of this Draft Prospectus.

### **B. OVERVIEW OF THE INDUSTRY**

We operate in Learning and Training Industry with focus on Financial Literacy domain. For more details, please refer chapter titled “Industry Overview” beginning on page 82 of this Draft Prospectus.

### **C. PROMOTERS**

Our Promoters are Mr. Rajesh Kumar Sodhani, Mrs. Priya Sodhani and Rajesh Kumar Sodhani HUF.

### **D. DETAILS OF THE OFFER**

Initial Public Offering of up to 15,30,000 Equity Shares of face value of ₹10/- each (“Equity Shares”) of Sodhani Academy of Fintech Enablers Limited (“Sodhani” “SAFEL” or “Our Company” or “The Issuer”) for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) (“Offer Price”) aggregating up to ₹ [●] Lakhs comprising of Fresh Offer of up to 9,70,000 Equity Shares aggregating to ₹ [●] Lakhs (“Fresh Offer”) and an Offer For Sale of up to 5,60,000 Equity Shares by Mr. Rajesh Kumar Sodhani and Mrs. Priya Sodhani (“Promoters Selling Shareholders”) aggregating to ₹ [●] Lakhs (“Offer For Sale”) (“The Offer”) of which up to [●] Equity Shares aggregating to ₹ [●] Lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”). The Offer less the Market Maker Reservation Portion i.e. Offer of up to [●] Equity Shares of face value of ₹10/- each at an Offer Price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs (“Net Offer”). The Offer and the Net Offer will constitute [●] % and [●] % of The Post-Offer paid-up Equity Share capital of our Company. For further details, please refer to chapter titled “Terms of the Offer” beginning on page 197 of this Draft Prospectus.

### **E. OBJECTS OF THE OFFER**

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

(₹ In Lakhs)

| Sr. No. | Particulars  | Amount |
|---------|--|--------|
| 1.      | Building content Studio and Offline training infrastructure      | 80.00  |
| 2.      | Information Technology (Hardware including Software) Procurement | 60.00  |
| 3.      | Content Development for course material                          | 50.00  |
| 4.      | Enhancement of brand visibility and awareness                    | 35.00  |
| 5.      | Learning Management System (LMS) Application development         | 10.00  |
| 6.      | General Corporate Purpose  | [●]    |

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

Further, our Company will not receive any proceeds received from the Offer for Sale by the Selling Shareholders. However, except for the listing fees which shall be solely borne by our Company, all offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Offer and the offered shares sold by the Selling Shareholders in the Offer for Sale. For further details, please refer to chapter titled “Objects of the Offer” beginning on page 65th of this Draft Prospectus.

#### F. AGGREGATE PRE-OFFER SHAREHOLDING OF PROMOTERS, SELLING SHAREHOLDERS AND PROMOTER GROUP

Our Promoters, Selling Shareholders and Promoter Group collectively hold 47,24,300 Equity shares of our Company aggregating to 99.99% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters, Selling Shareholders and Promoter Group, as on date of this Draft Prospectus: -

| Sr. No.                                   | Names                       | Pre IPO     |                  |
|---|-----------------------------|-------------|------------------|
|   |                             | Shares held | % of Shares Held |
| <b>Promoters and selling shareholders</b> |                             |             |                  |
| 1.  | Mr. Rajesh Kumar Sodhani*   | 18,37,500   | 38.89%           |
| 2.  | Mrs. Priya Sodhani*         | 14,87,500   | 31.48%           |
| 3.  | Rajesh Kumar Sodhani HUF#   | 13,98,600   | 29.60%           |
| <b>Promoter Group</b>                     |                             |             |                  |
| 4.  | Mr. Kailash Chandra Sodhani | 350         | 0.01%            |
| 5.  | Mrs. Ganga Devi Sodhani     | 350         | 0.01%            |

\* Promoters & Selling Shareholder

# Promoter

#### G. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the period ended November 30, 2023 and financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021: -

(₹ in Lakhs)

| Particulars  | For the Period ended November 30th, 2023 | For the year ended March 31 |        |       |
|--|--|-----------------------------|--------|-------|
|  |  | 2023                        | 2022   | 2021  |
| Equity Share capital   | 472.50                                   | 135.00                      | 27.00  | 9.00  |
| Net Worth  | 563.17                                   | 476.85                      | 338.25 | 61.34 |
| Total Revenue  | 140.09                                   | 203.45                      | 188.19 | 25.29 |
| Profit (or loss) after tax for the year                                  | 86.33                                    | 138.60                      | 123.91 | 3.08  |
| Basic and diluted earnings per share (₹ /share) (Pre Bonus)              | 6.39                                     | 51.33                       | 113.95 | 3.42  |
| Basic and diluted earnings per share (₹ /share) (Post Bonus)             | 1.83                                     | 2.93                        | 10.42  | 0.26  |
| Net asset value per Equity Share (basic and diluted)* (in ₹) (Pre Bonus) | 41.72                                    | 176.61                      | 311.07 | 68.16 |

| Particulars   | For the Period ended November 30th, 2023 | For the year ended March 31 |       |      |
|---|--|-----------------------------|-------|------|
|   |  | 2023                        | 2022  | 2021 |
| Net asset value per Equity Share (basic and diluted)* (in ₹) (Post Bonus) | 11.92                                    | 10.09                       | 28.45 | 5.24 |
| Total Borrowings (as per balance sheet)                                   | -  | 2.65                        | 4.10  | 0.50 |

## H. AUDITOR QUALIFICATIONS

There are no audit qualifications which have not been given effect in the restated financial statements.

## I. SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding matters set out below includes details of civil and criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoters and Group Company, as at the date of this Draft Prospectus.

### *Cases against our Company:*

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

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

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

For further details of certain material legal proceedings involving our Company, our Promoters, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 178 of this Draft Prospectus.

## J. RISK FACTORS

For details on the risks involved in our business, please see the Chapter titled “*Risk Factors*” beginning on page 24 of this Draft Prospectus.

## K. SUMMARY OF CONTINGENT LIABILITIES

Our Company has no contingent liabilities as on date of this Draft Prospectus.

## L. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the period ended November 30, 2023 and financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021: -

**List of related parties where control exists and related parties with whom transactions have taken place and relationships:**

| Sr. No. | Name of the Related Party       | Relationship                                       |
|---------|---------------------------------|--|
| 1       | Mr. Rajesh Kumar Sodhani        | Key Managerial Personnel                           |
| 2       | Ms. Priya Sodhani               |  |
| 3       | Mr. Suresh Kumar Sodhani        |  |
| 1       | Rajesh Kumar Sodhani HUF        | Entities with significant influence over the Group |
| 2       | Sodhani Capital Private Limited |  |

**Transactions for the year**

(₹ in Lakhs)

| S no | Particulars   | Period ended<br>November 30th,<br>2023 | Year ended<br>March 31st,<br>2023 | Year ended<br>March 31st,<br>2022 | Year ended<br>March 31st,<br>2021 |
|------|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| 1    | <b>Salaries</b>   |  |                                   |                                   |                                   |
|      | <b>Key Management personnel</b>                           |  |                                   |                                   |                                   |
|      | Mr. Rajesh Kumar Sodhani                                  | 8.00                                   | 12.00                             |                                   | -                                 |
|      | Ms. Priya Sodhani   | -                                      | -                                 | 1.50                              | -                                 |
| 2    | <b>Rent</b>   |  |                                   |                                   |                                   |
|      | <b>Key Management personnel</b>                           |  |                                   |                                   |                                   |
|      | Mr. Rajesh Kumar Sodhani                                  | 8.00                                   | -                                 | -                                 | -                                 |
| 3    | <b>Training Expenses</b>                                  |  |                                   |                                   |                                   |
|      | <b>Key Management personnel</b>                           |  |                                   |                                   |                                   |
|      | Mr. Rajesh Kumar Sodhani                                  | 2.43                                   | -                                 | -                                 | -                                 |
| 4    | <b>Net Loans and Advances given / (returned)</b>          |  |                                   |                                   |                                   |
|      | <b>Entities with significant influence over the Group</b> |  |                                   |                                   |                                   |
|      | Sodhani Capital Private Limited                           | -                                      | -5.81                             | 5.81                              | -                                 |
| 5    | <b>Unsecured long-term Loans received and (repaid)</b>    |  |                                   |                                   |                                   |
|      | <b>Key Managerial Personnel</b>                           |  |                                   |                                   |                                   |
|      | Ms. Priya Sodhani   | -                                      | -                                 | -0.50                             | -                                 |
|      | Mr. Rajesh Kumar Sodhani                                  | -2.65                                  | -1.45                             | 4.10                              | -                                 |

**Details of balances with Related party at the year end**

| Sr no | Particulars                       | As on<br>November 30th,<br>2023 | As on<br>March 31st,<br>2023 | As on<br>March 31st,<br>2022 | As on<br>March 31st,<br>2021 |
|-------|-----------------------------------|---------------------------------|------------------------------|------------------------------|------------------------------|
| 1     | <b>Loans and advances (Asset)</b> |                                 |                              |                              |                              |

|   |   |      |      |      |      |
|---|---|------|------|------|------|
|   | <b>Entities with significant influence over the Group</b><br>Sodhani Capital Private Limited              | -    | -    | 5.81 | -    |
| 2 | <b>Unsecured long-term loans (liability)</b><br><b>Key Managerial Personnel</b><br>Ms. Priya Sodhani      | -    | -    | -    | 0.50 |
|   | Mr. Rajesh Kumar Sodhani  | -    | 2.65 | 4.10 | -    |
| 2 | <b>Trade and Employee Benefits Payable</b><br><b>Key Managerial Personnel</b><br>Mr. Rajesh Kumar Sodhani | 4.60 | -    | -    | -    |

#### M. DETAILS OF FINANCING ARRANGEMENTS

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

#### N. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS AND SELLING SHAREHOLDERS IN LAST ONE YEAR

| Sr. No. | Name of Promoters and Selling Shareholders | Total No. of Equity Shares acquired in last one year | Weighted Average Price*(in ₹ per equity share) |
|---------|--|--|--|
| 1.      | Mr. Rajesh Kumar Sodhani <sup>^</sup>      | 17,32,500  | Nil <sup>#</sup>                               |
| 2.      | Mrs. Priya Sodhani <sup>^</sup>            | 14,02,500  | Nil <sup>#</sup>                               |
| 3.      | Rajesh Kumar Sodhani HUF \$                | 9,99,000   | Nil <sup>#</sup>                               |

<sup>^</sup> Promoters and Selling shareholders

<sup>\$</sup> Promoter

<sup>#</sup> Company has issued bonus shares to the existing shareholders dated July 22, 2022 and June 27, 2023 during F.Y. 2022-23 and FY 23-24 respectively.

The weighted average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired.

\*As certified by M/s J C Kabra & Associates, Chartered Accountants, by way of their certificate dated December 30, 2023.

#### O. AVERAGE COST OF ACQUISITION OF SHARES OF PROMOTER AND THE SELLING SHAREHOLDERS

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

| Sr. No. | Name of the Promoters and Selling Shareholders | No. of Shares held | Average cost of Acquisition (in ₹)* |
|---------|--|--------------------|-------------------------------------|
| 1.      | Mr. Rajesh Kumar Sodhani <sup>^</sup>          | 18,37,500          | 4.65                                |
| 2.      | Mrs. Priya Sodhani <sup>^</sup>                | 14,87,500          | 4.61                                |
| 3.      | Rajesh Kumar Sodhani HUF \$                    | 13,98,600          | 0.54                                |

The average cost of acquisition of Equity Shares by our Promoters and selling shareholders have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

<sup>^</sup> Promoters and Selling shareholders

\$ Promoter

\*As certified by M/s J C Kabra & Associates, Chartered Accountants, by way of their certificate dated December 30, 2023.

#### **P. PRE IPO PLACEMENT**

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

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

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

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Offer Price (₹) | Reasons of Allotment | Benefits accrued to company              | Allottees                   | No. of Shares Allotted |
|-------------------|-------------------------------|----------------|-----------------|----------------------|--|-----------------------------|------------------------|
| June 27,2023      | 33,75,000                     | 10.00          | NA              | Bonus Issue          | Expansion of capital base of the Company | Mr. Rajesh Kumar Sodhani    | 13,12,500              |
|                   |                               |                |                 |                      |  | Mrs. Priya Sodhani          | 10,62,500              |
|                   |                               |                |                 |                      |  | Rajesh Kumar Sodhani HUF    | 9,99,000               |
|                   |                               |                |                 |                      |  | Mr. Kailash Chandra Sodhani | 250                    |
|                   |                               |                |                 |                      |  | Mrs. Ganga Devi Sodhani     | 250                    |
|                   |                               |                |                 |                      |  | Mrs. Komal Nazwani          | 250                    |
|                   |                               |                |                 |                      |  | Mrs. Dropadi Devi Nazwani   | 250                    |

*\*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose*

#### **R. SPLIT/ CONSOLIDATION OF EQUITY SHARES**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Prospectus.

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

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

### **SECTION III – RISK FACTORS**

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in the Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our Restated Financial Information prepared and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 94, “Industry Overview” beginning on page 82 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 166 respectively, of this Draft Prospectus as well as other financial information contained herein.*

*The following factors have been considered for determining the materiality of Risk Factors:*

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

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements as restated in this Draft Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviations” beginning on page 1 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

*The risk factors are classified as under for the sake of better clarity and increased understanding.*

#### **Internal Risk Factors**

##### **Risks Relating to our Business**

- 1. A significant portion of our operating revenue is derived from our business of learning, training and consultancy activities. Failure to attract potential learners in our courses due to factors, including but not limited to an unsatisfactory success ratio, may adversely affect our revenues, business, results of operations and prospects.***

Notwithstanding increasing diversification of our operations, we currently expect to continue, for the short and medium term, to depend significantly on our revenue from our business of learning and training activities. Failure to attract potential learners may cause reduction in our cash flows and liquidity, if our business is significantly reduced for any reason.

We endeavor to retain the trust placed in us by our potential learners enrolled with us by providing quality courses and product offerings and high service standards. Among other things, this requires constant upgrades to our pedagogy, course materials, trainers and delivery platforms. In addition to the content and training provided by us, individual performance depends on various factors including personal merits, ability to perform under pressure, physical health and mental state.

The performance of learners enrolled with us in a particular year impacts the number of our learners enrolments for future years. Any significant degree of dissatisfaction in relation to any of our courses or services offered by us, despite our best efforts and resources, may adversely affect our brand image, enrolments and future revenues and profitability.

**2. *Our ability to attract new learners is dependent upon various factors including our reputation and our ability to maintain a high level of service quality.***

Our business relies significantly on our reputation as well as the quality and popularity of the services provided by us and our visibility and perception amongst the learners. We attempt to retain our position by maintaining academic and operational quality and by our ability to improve and add value to the performance of the learners enrolled on the courses offered by us. This requires constant updates to the methodology, technology and study material, along with ensuring that our trainers are adequately equipped to instruct these learners. It is important that we retain the trust placed in us by our learners on our result-oriented approach. We must also continue to attract new learners and increase the number of learners serviced by us at a consistent rate.

Further, we rely on our marketing and advertising efforts tailored to target the learners community, such as advertising through various media vehicles, including mix of online marketing through search engines such as Google, YouTube and social media platforms such as Facebook, Twitter, Instagram, LinkedIn and Telegram, electronic commercials and print media for increasing the visibility of our brands and, in particular, building and promoting our brands. Prospective learners also gain awareness of our courses and quality of learning imparted by us through interactions with the learners presently enrolled in various courses.

Further, failure to maintain and enhance our reputation or any actual or perceived reasons leading to reduction of benefits from the courses by the learners or any negative publicity against us may affect the rate of enrolments and consequently, the learners serviced by us.

In the event of occurrence of any of the above-mentioned risks, we may not be able to retain or attract learners which will lead to loss of expected potential revenue and may adversely impact our business and financials.

**3. *We are substantially dependent on our trainers and our ability to attract and retain them for our business delivery. Sudden decrease in the number of our trainers due to attrition or our inability to onboard new trainers may affect our operations and business.***

As on date of this Draft Prospectus, we have 3 Trainers who are engaged with us on full time basis. The delivery of our business is substantially dependent on these trainers. We also engage with guest trainers for specific sessions on fees basis. An exit/discontinuation of our trainers or our inability to engage with new full time or guest trainers may significantly affect our operations.

Any decrease in the number or quality of our trainers may affect the operations too. We cannot assure you that the working satisfaction level, remuneration policy or the human resource strategy in place will be sufficient to retain the services of existing trainers or obtain new trainers. Any sudden decrease in the number of such Trainers may disrupt our operations for the immediate period until suitable arrangements can be made by us and any delay or difficulties in finding requisite number of trainers in a timely manner may affect our operations, reputation and consequently our business.

**4. *The learning and training sector in which we operate is not specifically regulated. The central and state governments may change the existing regulations or introduce a new regulatory framework in the future. The impact of such changes or new regulations on the business cannot be ascertained presently and may affect our business adversely in the future.***

Our business presently is not specifically regulated either by any national or state legislations. The central or state governments may, however, change the existing laws or introduce new laws to regulate the education sector or more specifically, the learning and training sector in relation to its operations, expansions, fees and other charges. The impact of such regulations on the business cannot be currently ascertained. Such regulations may curtail or impose additional and onerous obligations on our operations and may adversely impact our business. Further, the laws applicable to the education sector may vary in each state which could restrict our operations to specific states and prevent or slow down our expansion in certain jurisdictions. These factors may result in an increase in operational costs to comply with such legislation and



failure to comply may cause adverse impact to our business.

**5. *We have no outstanding litigation against us whose adverse outcome may adversely affect our business, reputation and results of operations.***

A summary of outstanding matters set out below includes details of civil and criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoter and Group Company, as at the date of this Draft Prospectus.

***Cases against our Company:***

| <b>Nature of Cases</b>            | <b>No of Outstanding Cases</b> | <b>Amount involved (₹In Lakhs)</b> |
|-----------------------------------|--------------------------------|------------------------------------|
| Criminal Complaints               | --                             | --                                 |
| Statutory/ Regulatory Authorities | --                             | --                                 |
| Taxation Matters                  | --                             | --                                 |
| Other Litigation                  | --                             | --                                 |

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

| <b>Nature of Cases</b>            | <b>No of Outstanding Cases</b> | <b>Amount involved (₹ In Lakhs)</b> |
|-----------------------------------|--------------------------------|-------------------------------------|
| Criminal Complaints               | --                             | --                                  |
| Statutory/ Regulatory Authorities | --                             | --                                  |
| Other Litigation – Taxation       | --                             | --                                  |
| Other Litigation                  | --                             | --                                  |

For further details of certain material legal proceedings involving our Company, our Promoters, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 178 of this Draft Prospectus.

**6. *One of our promoter group members is associated with a Company that had instance of non-compliance on exchange where it is listed and also case is pending against the Company in NCLT.***

One of our promoter group member Mr. Mahesh Kumar Sodhani is associated with a company Coral Newsprint Limited, listed on the BSE Ltd. The aforesaid company has not complied with certain compliances to be done with the stock exchange in past and had at times defaulted in filing of compliance related documents with the Bombay Stock Exchange (BSE). However as on date, all the defaults have been made good in respect of the non-compliances. Further, a case under Insolvency and Bankruptcy Code had been filed against the said Company with NCLT, Delhi bench. The matter had been disposed off. Other than being a director and holder of 1.10% of the shares of the aforesaid Company, Mr. Mahesh Kumar Sodhani has no other interest in the said Company. Further none of our promoters or their family members have any financial transactions with Mr. Mahesh Kumar Sodhani since last 3 years except for minor gifts out of natural love and affection.

**7. *The premises of our Registered Office from where we are currently operating and our existing content studio and offline training centre has been taken on lease by our company from our promoter. In the event of termination or non-renewal of the leases, our business and revenues may be adversely affected***

The premises of our registered office situated on P No. C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021 and our existing content studio and offline training centre situated on the Basement of the same building is not owned by us and is taken on Leave & License basis from our promoter Mr. Rajesh Kumar Sodhani. The lease agreement for office premises is a composite agreement for lease of office premises as well as the infrastructure including furniture and fixtures, I.T. infrastructure etc. The lease agreement for office premises is dated May 01, 2023 and for studio is dated December 1, 2023. The lease period expires at regular intervals and we initiate the process of renewing the agreement. Further, we cannot assure that we will be able to continue the above arrangement on commercially acceptable / favorable terms in future.

For further details, see section “Our Business” beginning on page 94 of this Draft Prospectus. If we are required to vacate the current premises, we would be required to make alternative arrangements for new offices and other infrastructure. 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.

**8. *There are certain discrepancies/errors noticed in few of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956 and 2013. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate or any other law could impact the financial position of the Company to that extent.***

There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes clerical errors in the forms filed by our Company with the ROC in past years, for instance, birth date of Mrs. Priya Sodhani, has been wrongly mentioned. Our Company has not disclosed the Related party transaction as per the AS 18 in audited financial statements in past. In the past our company has erroneously not amended its main object clause of MOA to include learning and training services. However, we have now amended our MOA to cover our main business activity in totality.

Also, there are certain cases where some of forms has been filed late in Registrar of Companies for which requisite delayed fees was paid by the Company. In case of any action being taken by the regulatory authorities against the Company and/or its officers, the same may have an adverse effect on our business, financial conditions and result of operations. Although, no show cause notice in respect of the above has been received by the Company till date.

**9. *Our past profit margins and financial ratios may not be indication of our future profits.***

In the past, our profit margins have been substantially high owing to factors such as contribution of other income in total revenues, small team size, no external payments/cost involved for content development and faculty/trainers payment. This may substantially change as we would be required to onboard professional trainers, content developers, administrative staff in order to scale up our business going further. We would be required to incur higher expenditure as we grow in size and operations. Hence, our past margins may not continue in future and shall not be taken as indication of our future profits.

**10. *In the past our total revenues had a substantial contribution from other income.***

In the past our total revenues had a substantial contribution from other income. Over the past years we have earned income from other sources apart from our main revenue streams/ operations. Such incomes have majorly come from interest income, dividend income, profit/loss on sale of investment of properties.

**11. *In the past our income from learning, training and consultancy services has been in varying proportions between learning, training and consultancy verticals and also we had not maintained structured MIS of our deliveries.***

In the past our income from learning, training and consultancy services has been in varying proportions and this may also continue in future. Also, our company had not maintained structured MIS of our deliveries. We had earlier offered our training, learning and consultancy services in an unstructured format and did not maintain structured data regarding curriculum, enrolments and learner's feedback. Going forward we would be adopting a structured standard operating procedure for maintaining business data, learning modules, learners enrolment and other MIS.

**12. *In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

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

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance

measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, see “Government and Other Statutory Approvals” on page 183 of this Draft Prospectus.

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

**13. A cyber-security breach could adversely affect our operations.**

Our business is depended on various IT and electronic delivery mediums. Also, we have existing IT infrastructure and also propose to further expand our IT infrastructures. Any cyber breach or malware attack on our IT infrastructure can affect the normal productivity of our business.

**14. Strong competition in the business of providing financial literacy courses could also decrease our market share and compel us to reduce course fees or provide higher discounts on our course fees. This may have a material adverse impact on the number of learners enrolled with us, revenues and profitability.**

The business of providing financial literacy courses in an extremely competitive market has low barriers of entry and new competitors may easily enter and compete in this market. We compete with both organized players and unorganized players, such as regional or local institutes. Some of these competitors may pay better attention to individual needs of the learners and may be capable of providing more personalized services to each learner due to the smaller number of learners catered to by them. Further, these unorganized entities offer their services at highly competitive prices, having a well- established presence in their local markets. Factors such as: (a) failure to maintain and enhance our brand and reputation; (b) any actual or perceived reasons leading to reduction of benefits from the courses by the learners; and/or (c) any negative publicity against us, may affect the number of learners enrolled in our courses. Any kind of learners dissatisfaction in relation to any of our services, facilities or methods may impact learners’ perception of our quality of services, which may materially adversely impact our reputation, future enrolments of learners and, consequently, our business and profitability. Any consolidation among the organized players and/or unorganized players in any region may increase their competitiveness and, therefore, have a material adverse impact on our performance in the region.

The fee of our services is one of the important factors considered by learners while selecting our services. With increasing number of competitors, we may be compelled to reduce the fees and offer substantial concessions or fee discounts to attract new enrolments. Our inability to enhance our fees or reduce the fee may have an adverse impact on our student enrolment, revenues and profitability. In the event of occurrence of any of the above-mentioned risks, we may be unable to attract new, and/or retain existing learners.

**15. Some of our share transfer deeds are not traceable.**

Our Company is unable to trace certain Transfer deeds. This may be due to change in registered office of the company, change in methods of record keeping on account of technological advancement and digitalization of records. As such under the circumstances elaborated above, our Company cannot assure that the information gathered through other available documents of the company are correct. Also, our Company may not be in the position to attend to and / or respond appropriately to any legal matter due to lack of lost records and to that extend the same could affect our business operations, goodwill and profitability.

**16. We have experienced negative cash flows in the past.**

Our cash flow from our operating, investing and financing activities have been negative in the past. Following are the details of our cash flow position for the period ended November 30, 2023 and financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021 based on restated financial statements are:-

For further details, please see the chapter titled “Financial Information of our Company” on page 139 of this Draft Prospectus. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

| Particulars | For the Period ended<br>November 30th, 2023 | For the year ended (in ₹ Lakhs) |      |      |
|-------------|---|---------------------------------|------|------|
|             |   | 2023                            | 2022 | 2021 |

|  |         |         |         |       |
|--|---------|---------|---------|-------|
| <b>Net cash flow from Operating activities</b> | 121.10  | 71.17   | 132.94  | -9.13 |
| <b>Net cash flow from Investing activities</b> | -148.84 | -175.88 | -133.08 | 10.33 |
| <b>Net cash flow from Financing activities</b> | -2.65   | -1.44   | 156.61  | -     |

- 17. Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge and better bargaining power if entered with non-related parties resulting into relatively more favourable terms and conditions and better margins.**

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group. These transactions, inter-alia includes issue of shares, remuneration, loans and advances, etc. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. Additionally, our company believes that all our related party transactions have been conducted on an arm's length basis, but we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties.

Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse affect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to "Annexure 25" on "Related Party Transactions" of the Auditor's Report under Section titled "Financial Information of the Company" and Chapter titled "Capital Structure" beginning on page 139 and 52 respectively of this Draft Prospectus.

- 18. Our Promoters have interests in our Company, in addition to their normal remuneration or benefits and reimbursement of expenses incurred.**

Our Promoters have interests in our Company that are in addition to reimbursement of expenses and normal remuneration. Our Promoters may be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses, other distributions on such Equity Shares or rental income received from our Company for the immovable property rented by them to our Company. Our Promoter, Mr. Rajesh Kumar Sodhani have rented the property to our Company, which is being used as the Registered Office of our Company and as such the Promoter may be considered to be interested to the extent of the rental fee payable by our Company. For further details of such interests, please see "Our Management", "Our Promoters and Promoter Group" and "Restated Financial Statements" beginning on pages 119, 133 and 139 respectively of this Draft Prospectus.

- 19. Our Company is promoted by first generation entrepreneurs.**

Our Promoters are first generation entrepreneur. Their experience in managing and being instrumental in the growth of our Company is limited to the extent of their knowledge and experience and we cannot assure that this will not affect our business growth.

- 20. Our insurance coverage may not adequately protect us against certain operating hazards and this may have an adverse impact on our business.**

We have taken our registered office on lease basis from our Promoter Mr. Rajesh Kumar Sodhani, the said lease rent included the insurance towards the property. Our Promoter Mr. Rajesh Kumar Sodhani has obtained a burglary insurance policy on fixed assets covering the fixtures and equipment. The coverage is limited to theft damage for our Company and does not cover fire, flood and inundation damage. To the extent that we suffer any loss or damage not covered by the insurance that we have obtained or the loss exceeds our insurance coverage, our results of operations could be adversely affected. For details of our insurance cover, please see "Our Business" beginning on page 94 of this Draft Prospectus.

- 21. We could become liable to learners, suffer adverse publicity and incur substantial costs as a result of defects in our service, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.**

Any failure or defect in our service could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. Although we attempt to maintain quality standards, we cannot assure that all our services would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

**22. *Increased competition for skilled employees and salary increases for our employees may reduce our profit margin.***

Due to sustained economic growth in India and increased competition for skilled employees in India over the last few years, wages of skilled employees are increasing at a fast rate. Accordingly, we may need to increase our levels of employee compensation rapidly to remain competitive in attracting the quality of employees that our business requires. Salary increases may reduce our profit margins and have a material and adverse effect on our results of operations.

**23. *The average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders could be lower than the price determined at time of registering the Draft Prospectus.***

Our Promoters and the Selling Shareholders average cost of acquisition of Equity Shares in our Company may be lower than the Price as may be decided by the Company and the Selling Shareholders in consultation with the LM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and the Selling Shareholders and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “*Capital Structure*” beginning on page 52 of this Draft Prospectus.

**24. *We have offered Equity Shares during the last one year at a price below the Offer Price.***

Our Company had allotted Bonus shares of 33,75,000 equity shares on June 27, 2023 in the ratio 2.5:1 in the last 12 months which is lower than the Offer Price. The Equity Shares allotted to shareholders pursuant to this Offer may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For further details, see “*Capital Structure*” on page 53 of this Draft Prospectus.

**25. *Major fraud, lapses of internal control or failures on part of the employees 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.

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

Our promoters along with the promoter group will continue to hold majority of the equity share capital of the company. As a result of the same they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company.

In addition to the above, our promoters will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**27. *Conflict of interest may arise due to common promoters between the issuer company and the promoter group company.***


Conflict of interest may arise due to common promoters between the Issuer Company and the Promoter Group company namely Sodhani Capital Private Limited. While both the companies operate in different business verticals, but owing to common promoters there might be conflict of interest in future due to attention being devoted to the promoter group company.


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

Our Company is engaged in business of providing learning, training and consultancy services being part of the service sector industry which attracts tax liability such as Goods and Service Tax as per the applicable provisions of Law. However, we have deposited the required returns under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

**29. We may be unable to enforce our rights under some of our agreements on account of inadequate stamping and not registering the agreements or other reasons.**

We regularly enter into agreements with third parties, in relation to our business. The terms, tenure and the nature of the agreements vary, depending on, amongst other things, the subject matter of the agreement and the third parties involved. Although, we duly execute our documents, some of the documents executed by us may be inadequately stamped or not registered or may not otherwise be enforceable. Such inadequately stamped or unregistered documents may not be admissible in evidence in a court of law until the applicable stamp duty, with penalty, has been paid and registered, which could, therefore, impact our ability to enforce our rights under the agreements in a timely manner or at all.

**30. Our Company logo “  ” is not registered with Registrar of Trademark; any infringement of our brand name or failure to get it registered may adversely affect our business. Further, any kind of negative publicity or misuse of our brand name could hamper our brand building efforts and our future growth strategy could be adversely affected.**

Our Company has applied with the Registrar of Trademark for registration of logo “  ”. If we are unable to register the intellectual property, we may be required to change our logo and hence may loose on the goodwill created so far. Further, the same may involve costly litigations and penal provisions if some legal consequences arise if someone from outside use our name and logo of the Company. We believe that our future growth and competitiveness would depend on our ability to establish and strengthen our brand. We cannot guarantee that we will be able to make a lasting brand image with our clients and other people in the absence of a logo.

Although, we believe that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations.

**31. 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 reports of certain independent third party 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.

**32. Our ability to pay any dividends will depend upon future earnings, financial condition and cash flows.**

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section titled “*Dividend Policy*” on page 136 of the Draft Prospectus.

33. ***We have not identified any alternate source of financing the Objects of the Offer. Any shortfall in raising / meeting the same could adversely affect our growth plans, business operations and financial condition***

Our Company has not identified any alternate source of funding for our object of the Offer and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Offer proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the company. For further details, please refer chapter titled “**Object for the Offer**” beginning on page 65 of this Draft Prospectus.

### **OFFER RELATED RISKS**

34. ***Within the parameters as mentioned in the chapter titled “Object of the Offer” beginning on page 65 of this Draft Prospectus, our Company’s management will have flexibility in applying the net proceeds of the Offer. The fund requirement and deployment mentioned in the Objects of the Offer have not been appraised by any bank or financial institution.***

We intend to use entire Net Offer Proceeds towards the objects of the offer as detailed chapter titled “*Object of the Offer*” beginning on page 65 of this Draft Prospectus. We intend to deploy the Net Offer Proceeds in Fiscals 2024 and 2025 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Fresh Offer may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Offer Proceeds, please refer chapter titled “*Objects of the Offer*” beginning on page 65 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 “*Object of the Offer*” beginning on page 65 of this Draft Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Offer. Our Audit Committee will monitor the proceeds of the Offer.

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

Since the Offer size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Offer. The deployment of these funds raised through this Offer, 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 Fresh Offer proceeds could adversely affect our financials. However, as per the Section 177 of the Companies Act, 2013 and applicable laws, the Audit Committee of our Company would be monitoring the utilization of the Offer Proceeds.

36. ***An investment in the Equity Shares is subject to general risk related to investments in Indian Companies.***

Our Company is incorporated in India and all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

37. ***Any variation in the utilization of the Net Proceeds of the Offer as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior Shareholders’ approval.***

We propose to utilize the Net Proceeds for objects as mentioned in chapter titled “*Objects of the Offer*”. For further details of the proposed objects of the Offer, please see chapter titled “*Objects of the Offer*” beginning on page 65 of this Draft Prospectus. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds from the Offer as disclosed in this Draft Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders’ approval in a timely manner, or at all.

Any delay or inability in obtaining such Shareholders approval may adversely affect our business or operations. Further,

our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

**38. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares will be determined by our Company and Selling Shareholders in consultation with the Lead Manager, and through Fixed Price Process. This price will be based on numerous factors, as described under “Basis for Offer Price” beginning on page 73 of this Draft Prospectus and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

**39. *Our Company will not receive any proceeds from the Offer for Sale.***

The Offer includes an Offer for Sale of up to 5,60,000 Equity Shares, in the aggregate, by the Selling Shareholders. Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all the Offer related expenses will be exclusively borne by our Company. The expenses of the Selling Shareholders will, at the outset, be borne by our Company and the Selling Shareholders will reimburse our Company for such expenses incurred by our Company on behalf of the Selling Shareholders, in relation to the Offer, upon successful completion of the Offer in the manner as prescribed under applicable law and agreed amongst the Company and the Selling Shareholders. For further information, please see “Object of the Offer” on page 65 of this Draft Prospectus.

**40. *The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter.

**41. *There is no guarantee that the Equity Shares offered pursuant to the Offer will be listed on the BSE SME in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares offered pursuant to the Offer will not be granted until after the Equity Shares have been offered 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 failure or delay in listing the Equity Shares on the BSE SME. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**42. *Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoters or other shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issuances by us, including in a primary offering, may lead to the dilution of investors’ shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

**43. *There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder’s ability to sell for 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 the 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. The percentage limit on circuit breakers is said by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchange does not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of the 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.

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

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax (“STT”) is levied on and collected by an Indian stock exchange on which equity shares are sold. Any capital gain exceeding ₹100,000, realized on the sale of equity shares held for more than 12 months immediately preceding the date of transfer, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long-term capital gains tax in India.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. The Finance Act, 2020, has, among other things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, both resident as well as non-resident, and that such dividends likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Historically, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

Further, we cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows. The Government of India had announced the union budget for financial year 2024 and the Finance Act, 2023 received assent from the President of India on March 31, 2023. There is no certainty on the impact that the Finance Act, 2023 may have on our business and operations or in the industry we operate in.

**45. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Offer, there has been no public market for our Equity Shares. Our Company and the Lead Manager have appointed Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Offer due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

**46. *Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors assessments of Our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could resulting our financial condition and results of operations appearing materially different than under Indian GAAP.***

Our restated financial statements, including the financial statements provided in this Draft Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, refer chapter titled “*Presentation of Financial Industry and Market Data*” beginning on page 14 of this Draft Prospectus.

Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited. India has decided to adopt the “Convergence of its existing standards with IFRS” and not the “International Financial Reporting Standards” (“IFRS”), which was announced by the MCA, through the press notedated January 22, 2010. These “IFRS based / synchronized Accounting Standards” are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, MCA Notification dated February 16, 2015, has provided an exemption to the Companies proposing to list their shares on the SME Exchange as per Chapter IX of the SEBI ICDR Regulations and hence the adoption of IND (AS) by a SME exchange listed Company is voluntary. Accordingly, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Currently, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS)) and for future periods.

Moreover, if we volunteer for transition to IND (AS) reporting, the same may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of converged Indian Accounting Standards may adversely affect our financial condition.

***47. 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.

**EXTERNAL RISKS**

***48. The extent to which the Coronavirus disease (COVID-19) may affect our business and operations in the future is uncertain and cannot be predicted.***

During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for calendar year 2020 downward in response to the economic slowdown caused by the spread of COVID-19. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown lasted until May 31, 2020, and has been extended periodically by varying degrees by state governments and local administrations. The lifting of the lockdown across various

regions has been regulated with limited and progressive relaxations being granted for movement of goods and people in other places and calibrated re-opening of businesses and offices. Despite the lifting of the lockdown, there is significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on our business and operations in the future. We are closely monitoring the impact of COVID-19 on our financial condition, liquidity, operations, suppliers and workforce. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

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

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

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

**50. *If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.***

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

Additionally, the Government of India has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, the implementation of such laws could increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

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. For instance, companies can voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/tribunals/ courts would have an effect on our profitability.

Further, the GoI has announced the union budget for Fiscal 2024, pursuant to which the Finance Bill, 2023 ("Finance Bill"), has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act, 2023. We cannot predict whether any amendments made pursuant to the Finance Act, 2023 would have an adverse effect on our business, financial condition and results of operations. Furthermore,

changes in capital gains tax or tax on capital market transactions or the 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.

There can be no assurance that the GoI will not implement new regulations and policies requiring us to obtain approvals and licenses from the GoI or other regulatory bodies, or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent in the jurisdictions in which we operate may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. It may also have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which could materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new, laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

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

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

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

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

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

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

**54. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.***

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

## SECTION IV – INTRODUCTION

### THE OFFER

|   |  |
|---|--|
| <b>Equity Shares Offered<sup>(1)</sup>:<br/>Present Offer of Equity Shares by our<br/>Company<sup>(2)</sup></b> | Up to 15,30,000 Equity Shares of face value of ₹10.00 each fully paid for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs  |
| <b>The Offer consists of:</b>   |  |
| <b>Fresh Offer</b>  | Up to 9,70,000 Equity Shares of face value of ₹10.00 each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs  |
| <b>Offer for Sale<sup>(3)</sup></b>   | Up to 5,60,000 Equity Shares of face value of ₹10.00 each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs  |
| <b>Of which:</b>  |  |
| <b>Offer Reserved for the Market Maker</b>  | Up to [●] Equity Shares of face value of ₹10.00 each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs   |
| <b>Net Offer to Public</b>  | Up to [●] Equity Shares of face value of ₹10.00 each fully paid-up for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs   |
|   | <i>Of which<sup>(4)</sup>:</i>   |
|   | Up to [●] Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹2.00 Lakhs |
|   | Up to [●] Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹2.00 Lakhs |
| <b>Equity shares outstanding prior to the Offer</b>   | 47,25,000 Equity Shares of face value of ₹10.00 each fully paid-up   |
| <b>Equity shares outstanding after the Offer</b>  | Up to 56,95,000 Equity Shares of face value of ₹10.00 each fully paid-up   |
| <b>Use of Net Proceeds</b>  | Please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 65 of this Draft Prospectus   |

<sup>(1)</sup> This Offer is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time.

<sup>(2)</sup> The present Offer has been authorized pursuant to a resolution of our Board dated May 30, 2023 and by Special Resolution passed under Section 28 and 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our Shareholders held on May 31, 2023.

<sup>(3)</sup> The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholders have confirmed and approved their portion in the Offer for Sale as set out below:

| <b>Selling Shareholders</b> | <b>Number of Equity Shares Offered</b> | <b>Date of Consent Letter</b> |
|-----------------------------|--|-------------------------------|
| Mr. Rajesh Kumar Sodhani    | Up to 4,75,000 equity shares           | June 29, 2023                 |
| Mrs. Priya Sodhani          | Up to 85,000 equity shares             | June 29, 2023                 |

<sup>(4)</sup> The allocation in the net Offer to the public category shall be made as per the requirements of Regulation 253(2) of SEBI ICDR Regulations, as amended from time to time, which reads 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 clauses (a) or (b) may be allocated to applicants in the other category.*

*Explanation - For the purpose of Regulation 253 (2), if the Retail Individual Investors category is entitled to more than fifty per cent of the Offer size on a proportionate basis, the Retail Individual Investors shall be allocated that higher percentage.*

For further details please refer to the chapter titled “*Offer Structure*” beginning on page 204 of this Draft Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**

**Restated Statements of Assets and Liabilities**

(₹ in Lakhs)

| Particulars                             | Notes | As at<br>November<br>30th, 2023 | As at<br>March 31st,<br>2023 | As at<br>March<br>31st, 2022 | As at<br>March 31st,<br>2021 |
|---|-------|---------------------------------|------------------------------|------------------------------|------------------------------|
| <b><u>I. EQUITY AND LIABILITIES</u></b> |       |                                 |                              |                              |                              |
| <b>(1) Shareholder's Fund</b>           |       |                                 |                              |                              |                              |
| (a) Share Capital                       | 4     | 472.50                          | 135.00                       | 27.00                        | 9.00                         |
| (b) Reserves & Surplus                  | 5     | 90.67                           | 341.85                       | 311.25                       | 52.34                        |
| <b>Total Shareholder's Fund</b>         |       | <b>563.17</b>                   | <b>476.85</b>                | <b>338.25</b>                | <b>61.34</b>                 |
| <b>(2) Non-Current Liabilities</b>      |       |                                 |                              |                              |                              |
| <b>(3) Current Liabilities</b>          |       |                                 |                              |                              |                              |
| (a) Short Term Borrowings               | 6     | -                               | 2.65                         | 4.10                         | 0.50                         |
| (b) Trade payable                       | 7     | 4.83                            | -                            | -                            | -                            |
| (c) Other Current Liabilities           | 8     | 10.30                           | 21.57                        | 11.88                        | -                            |
| (d) Short term Provisions               | 9     | 2.31                            | 0.50                         | 8.97                         | 5.33                         |
| <b>Total Current Liabilities</b>        |       | <b>17.44</b>                    | <b>24.72</b>                 | <b>24.95</b>                 | <b>5.83</b>                  |
| <b>Total Equity and Liabilities</b>     |       | <b>580.62</b>                   | <b>501.57</b>                | <b>363.20</b>                | <b>67.17</b>                 |
| <b><u>II. ASSETS</u></b>                |       |                                 |                              |                              |                              |
| <b>(1) Non-Current Assets</b>           |       |                                 |                              |                              |                              |
| (a) Property, Plant and Equipment       | 10    | 59.45                           | 64.45                        | 44.91                        | 44.92                        |
| (b) Non Current Investments             | 11    | 328.21                          | 168.46                       | 38.00                        | -                            |
| (c) Deferred tax assets                 | 25(b) | 0.91                            | 3.71                         | 0.80                         | 0.04                         |
| (d) Other non current assets            | 12    | -                               | -                            | 18.45                        | 18.96                        |
| <b>Total Non-Current Assets</b>         |       | <b>388.56</b>                   | <b>236.62</b>                | <b>102.16</b>                | <b>63.92</b>                 |
| <b>(2) Current Assets</b>               |       |                                 |                              |                              |                              |
| (a) Current Investments                 | 13    | 149.78                          | 133.06                       | 94.03                        | 0.70                         |
| (b) Trade Receivables                   | 14    | 2.76                            | 29.00                        | -                            | -                            |
| (c) Cash and Cash Equivalents           | 15    | 21.59                           | 51.98                        | 158.13                       | 1.66                         |
| (d) Short Term Loans & Advances         | 16    | 8.51                            | 40.72                        | 5.81                         | -                            |
| (e) Other Current Assets                | 17    | 9.41                            | 10.19                        | 3.07                         | 0.90                         |
| <b>Total Current Assets</b>             |       | <b>192.06</b>                   | <b>264.95</b>                | <b>261.04</b>                | <b>3.26</b>                  |
| <b>Total Assets</b>                     |       | <b>580.62</b>                   | <b>501.57</b>                | <b>363.20</b>                | <b>67.17</b>                 |

**Restated Statement of Profit and Loss**

(₹ in Lakhs)

| Particulars   | Notes | Period ended<br>November<br>30th, 2023 | Year ended<br>March 31st,<br>2023 | Year ended<br>March 31st,<br>2022 | Year<br>ended<br>March<br>31st, 2021 |
|---|-------|--|-----------------------------------|-----------------------------------|--------------------------------------|
| I. Revenue from Operations                                    | 18    | 92.56                                  | 137.58                            | 185.89                            | 15.14                                |
| II. Other Income  | 19    | 47.53                                  | 65.87                             | 2.30                              | 10.15                                |
| <b>III. Total Income (I+II)</b>                               |       | <b>140.09</b>                          | <b>203.45</b>                     | <b>188.19</b>                     | <b>25.29</b>                         |
| <b>IV. Expenses</b>   |       |  |                                   |                                   |                                      |
| Employee Benefits Expenses                                    | 20    | 14.64                                  | 12.18                             | 1.50                              | -                                    |
| Finance Costs   | 21    | -                                      | 0.01                              | 0.01                              | -                                    |
| Other Expenses  | 22    | 14.51                                  | 15.82                             | 13.28                             | 0.29                                 |
| <b>Total Expenses</b>   |       | <b>29.15</b>                           | <b>28.01</b>                      | <b>14.80</b>                      | <b>0.29</b>                          |
| <b>Profit Before Tax</b>                                      |       | <b>110.94</b>                          | <b>175.44</b>                     | <b>173.40</b>                     | <b>25.00</b>                         |
| <b>Income Tax Expense</b>                                     |       |  |                                   |                                   |                                      |
| Current Year  |       | 21.82                                  | 41.81                             | 50.25                             | 6.53                                 |
| Earlier Year  |       | -                                      | (2.06)                            | -                                 | 15.42                                |
| Deferred tax  |       | 2.80                                   | (2.91)                            | (0.76)                            | (0.04)                               |
| <b>Profit After Tax</b>                                       |       | <b>86.33</b>                           | <b>138.60</b>                     | <b>123.91</b>                     | <b>3.08</b>                          |
| <b>Earnings per equity share of face value of Rs. 10 each</b> |       |  |                                   |                                   |                                      |
| Basic EPS (In Rs.) (not annualized)                           | 23    | 1.83                                   | 2.93                              | 10.42                             | 0.26                                 |
| Diluted EPS (In Rs.) (not annualized)                         |       | 1.83                                   | 2.93                              | 10.42                             | 0.26                                 |



## Restated Cash Flow Statement

(₹ in Lakhs)

| Particulars  | Period ended<br>November<br>30th, 2023 | Year ended<br>March 31st,<br>2023 | Year ended<br>March 31st,<br>2022 | Year ended<br>March 31st,<br>2021 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>A: Cash Flow from Operating Activities:</b>                   |  |                                   |                                   |                                   |
| Net Profit Before Tax as per Statement of Profit & Loss          | 110.94                                 | 175.44                            | 173.40                            | 25.00                             |
| Adjusted for:  |  |                                   |                                   |                                   |
| Profit on Sale of Assets (net)                                   | (9.00)                                 | -                                 | -                                 | (10.11)                           |
| (Gain)/loss on investment  | (11.13)                                | 14.72                             | 2.87                              | 0.11                              |
| Dividend   | (1.50)                                 | (2.16)                            | (0.26)                            | (0.04)                            |
| Interest Income  | (0.99)                                 | (5.21)                            | (0.36)                            | -                                 |
| <b>Operating Profit before Working Capital Changes</b>           | <b>88.32</b>                           | <b>182.79</b>                     | <b>175.65</b>                     | <b>14.96</b>                      |
| <b>Changes in working capital:</b>                               |  |                                   |                                   |                                   |
| Trade and Other Receivables                                      | 26.24                                  | (29.00)                           | -                                 | -                                 |
| Other Current assets   | 0.78                                   | (7.12)                            | (2.17)                            | (14.88)                           |
| Trade Payable  | 4.83                                   | -                                 | -                                 | -                                 |
| Short Term Loans and Advances                                    | 32.21                                  | (34.91)                           | (5.81)                            | -                                 |
| Other Current Liabilities  | (11.27)                                | 9.69                              | 11.88                             | -                                 |
| Short Term Provisions  | 1.81                                   | (8.47)                            | 3.64                              | 5.33                              |
| <b>Cash Generated from Operations</b>                            | <b>142.92</b>                          | <b>112.98</b>                     | <b>183.19</b>                     | <b>5.41</b>                       |
| Taxes Paid (net)   | (21.82)                                | (41.81)                           | (50.25)                           | (14.54)                           |
| <b>Net Cash from / (Used in) Operating Activities</b>            | <b>121.10</b>                          | <b>71.17</b>                      | <b>132.94</b>                     | <b>(9.13)</b>                     |
| <b>B: Cash Flow From Investing Activities:</b>                   |  |                                   |                                   |                                   |
| Purchase/(disposal) of Property, Plant and Equipment             | 14.00                                  | (19.54)                           | -                                 | 17.54                             |
| Non Current investment   | (159.74)                               | (130.46)                          | (38.00)                           | (0.55)                            |
| Current investment   | (5.60)                                 | (33.23)                           | (95.70)                           | (6.69)                            |
| Dividend   | 1.50                                   | 2.16                              | 0.26                              | 0.04                              |
| Interest Income  | 0.99                                   | 5.20                              | 0.36                              | -                                 |
| <b>Net Cash from / (Used in) Investing Activities</b>            | <b>(148.84)</b>                        | <b>(175.88)</b>                   | <b>(133.08)</b>                   | <b>10.33</b>                      |
| <b>C: Cash Flow From Financing Activities:</b>                   |  |                                   |                                   |                                   |
| Securities Premium   | -                                      | -                                 | 135.00                            | -                                 |
| Proceeds from Issue of Equity Shares                             | -                                      | -                                 | 18.00                             | -                                 |
| Short Term Borrowings (net)                                      | (2.65)                                 | (1.45)                            | 3.60                              | -                                 |
| Finance Costs  | -                                      | 0.01                              | 0.01                              | -                                 |
| <b>Net Cash from / (Used in) Financing Activities</b>            | <b>(2.65)</b>                          | <b>(1.44)</b>                     | <b>156.61</b>                     | <b>-</b>                          |
| <b>D: Net (Decrease) / Increase in Cash and Cash Equivalents</b> | <b>(30.39)</b>                         | <b>(106.15)</b>                   | <b>156.47</b>                     | <b>1.20</b>                       |
| E: Opening Balance of Cash and Cash Equivalents                  | 51.98                                  | 158.13                            | 1.66                              | 0.46                              |
| <b>F: Closing Balance of Cash and Cash Equivalents</b>           | <b>21.59</b>                           | <b>51.98</b>                      | <b>158.13</b>                     | <b>1.66</b>                       |

### Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per the above comprise of the following:

|   |              |              |               |             |
|---|--------------|--------------|---------------|-------------|
| Cash on Hand  | 0.15         | 0.22         | 0.32          | 0.13        |
| Balances with Banks in Current Accounts   | 21.44        | 51.76        | 157.81        | 1.53        |
| <b>Cash and Cash Equivalents [Refer note 15]</b>                                  | <b>21.59</b> | <b>51.98</b> | <b>158.13</b> | <b>1.66</b> |
| <b>Cash and Cash Equivalents for the purpose of above statement of cash flows</b> | <b>21.59</b> | <b>51.98</b> | <b>158.13</b> | <b>1.66</b> |

## **GENERAL INFORMATION**

Our Company was originally incorporated as “Sodhani Financial Consultants Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 03, 2009 issued by the Registrar of Companies, Rajasthan, Jaipur. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to “Sodhani Financial Consultants Limited” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on March 09, 2023. The fresh certificate of incorporation dated April 10, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur.

Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on May 01, 2023, the name of our Company was changed from “Sodhani Financial Consultants Limited” to “Sodhani Academy of Fintech Enablers Limited”. The fresh certificate of incorporation dated May 15, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur bearing CIN U67120RJ2009PLC028237.

Mr. Rajesh Kumar Sodhani and Mrs. Priya Sodhani were the initial subscribers to the Memorandum of Association of our Company.

For further details and details of changes in the registered office of our company, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 113 of this Draft Prospectus.

### **REGISTERED OFFICE**

Sodhani Academy of Fintech Enablers Limited  
P No. C 373, First Floor, C Block Vaishali Nagar,  
Jaipur-302021, Rajasthan, India  
Tel No: 0141- 2358107  
Email: [safe.fintech3105@gmail.com](mailto:safe.fintech3105@gmail.com)  
Website: [www.safefintech.in](http://www.safefintech.in)

### **REGISTRAR OF COMPANIES**

Registrar of Companies, Rajasthan, Jaipur

Corporate Bhavan,  
C/6-7, Residency Area Civil Lines  
1st Floor, Ashok Nagar,  
Jaipur-302001, Rajasthan  
Tel No: 0141-2981913/2981914/2981915/2981917  
Email: [roc.jaipur@mca.gov.in](mailto:roc.jaipur@mca.gov.in)

### **DESIGNATED STOCK EXCHANGE**

#### **BSE Limited**

25<sup>th</sup>Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001,  
Maharashtra, India  
Tel No: 022 – 2272 1233/34  
Website: [www.bseindia.com](http://www.bseindia.com)

### **BOARD OF DIRECTORS**

As on the date of this Draft Prospectus, the Board of Directors of our Company comprises of the following

| <b>Name</b>        | <b>Designation</b>                     | <b>DIN</b> | <b>Residential Address</b>  |
|--------------------|--|------------|---|
| Mrs. Priya Sodhani | Chairperson and Non-Executive Director | 02523843   | Flat no. B 1402/1403, Melodia by Purple group, Kuber complex, 5, Gandhipath, Acharya Vinoba Bhawe nagar, Jaipur, Rajasthan-302021 |

|                          |  |          |  |
|--------------------------|--|----------|--|
| Mr. Rajesh Kumar Sodhani | Managing Director                          | 02516856 | Flat no. B 1402/1403, Melodia by Purple group, Kuber complex, 5, Gandhipath, Acharya Vinoba Bhav nagar, Jaipur, Rajasthan-302021 |
| Mr. Dhiraj Malhotra      | Non-Executive and Non-Independent Director | 07528401 | 304, B block, Gokul dham2, Janpath lane 6, Nirman Nagar, Jaipur – 302019, Rajasthan  |
| Mr. Jagadeesh Atukuri    | Independent Director                       | 08478109 | 11-101//1, Behind Vasavi Temple, Janapadu road Kanyakaparameswari temple, Pidugurulla, Guntur, Andhra Pradesh-522413             |
| Mrs. Shilpa Maheshwari   | Independent Director                       | 07431117 | D-2, Parkbay Society, Vidyanagari Marg, Santacruz East, Vidyanagari, Mumbai-400098, Maharashtra, India                           |
| Mr. Deepak Kapoor        | Independent Director                       | 10159949 | F N. T-944, Block 11, Rangoli Garden, Maharana Pratap Marg, Jaipur-302021, Rajasthan, India                                      |

For detailed profile of our Board of Directors, please see chapter titled “*Our Management*” beginning on page 119 of this Draft Prospectus.

### CHIEF FINANCIAL OFFICER

Ms. Deepti Maheshwari  
P No. C 373, First Floor, C Block Vaishali Nagar,  
Jaipur-302021, Rajasthan, India  
Tel No: 0141- 2358107  
Email: [deepti.safe@gmail.com](mailto:deepti.safe@gmail.com)  
Website: [www.safefintech.in](http://www.safefintech.in)

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Monika Agarwal  
P No. C 373, First Floor, C Block Vaishali Nagar,  
Jaipur-302021, Rajasthan, India  
Tel No: 0141- 2358107  
Email: [compliance.safe31@gmail.com](mailto:compliance.safe31@gmail.com)  
Website: [www.safefintech.in](http://www.safefintech.in)

### INVESTOR GRIEVANCES

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Offer and/or Lead Manager in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode etc.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as name of the sole or First Applicant, Application Form number, Applicant’s DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the lead manager is required to compensate the investor for delays in

grievance redressal from the date on which the grievance was received until the actual date of unblock.

Further, the Applicant shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

#### **LEAD MANAGER TO THE OFFER**

##### **Srujan Alpha Capital Advisors LLP**

Registered office:

112A, 1st floor, Arun Bazar,  
S.V. Road, Beside Bank of India,  
Malad (West), Mumbai -400 064

Corporate Office:

824 & 825, Corporate Avenue,  
Sonawala Road, opposite Atlanta Centre,  
Goregaon, Mumbai- 400064

Tel : 022 - 46030709

E-mail : [jinesh@srujanalpha.com](mailto:jinesh@srujanalpha.com)

Website : [www.srujanalpha.com](http://www.srujanalpha.com)

Contact Person: Mr. Jinesh Doshi

SEBI Registration Number: INM000012829

#### **REGISTRAR TO THE OFFER**

##### **Cameo Corporate Services Limited**

Subramanian Building', No.1, Club House Road,  
Chennai 600 002, India

Tel No: 044 - 40020700/ 28460390

Email: [investor@cameoindia.com](mailto:investor@cameoindia.com)

Website: [www.cameoindia.com](http://www.cameoindia.com)

Contact Person: Mr. R.D. Ramasamy

SEBI Registration Number: INR000003753

#### **LEGAL ADVISOR TO THE OFFER**

##### **Asha Agarwal & Associates**

118, Shila Vihar, Gokulpura,

Kalwar Road, Jhotwara,

Jaipur – 302 012, Rajasthan, India

Tel No.: 9950933137

Email: [ashaagarwalassociates@gmail.com](mailto:ashaagarwalassociates@gmail.com)

Contact Person: Ms. Nisha Agarwal

#### **BANKERS TO THE OFFER / REFUND BANK / SPONSOR BANK**

[•]

#### **SHARE ESCROW AGENT**

[•]

## **BANKERS TO THE COMPANY**

### **AU Small Finance Bank Limited**

10, Shivraj Niketan, Gautam Marg,

Vaishali Nagar, Jaipur, Rajasthan

Tel No.: +91-9116681429

Email: [aayushi.parnami@aubank.in](mailto:aayushi.parnami@aubank.in)

Website: [www.aubank.in](http://www.aubank.in)

Contact Person: Ms. Aayushi Parnami

## **STATUTORY AUDITORS OF OUR COMPANY**

### **M/s J C Kabra & Associates**

Chartered Accountants,

301, D Definity, 1st J P Road, Near Anupam Talkies,

Goregaon(East) Mumbai-400063,

Maharashtra, India.

Tel No.: 022-26850152

Email: [assist@jckca.com](mailto:assist@jckca.com)

Contact Person: Mr. Vikash Kumar Somani

Firm Registration No.: 115749W

Peer Review Registration No. 013726

## **SECRETARIAL ADVISOR TO THE COMPANY**

### **Sonika & Associates, Company Secretaries**

Station road, Bhavani Mandi, Jhalawar-326502,

Rajasthan

Email: [wecorporateadvisors@gmail.com](mailto:wecorporateadvisors@gmail.com)

Contact Person: Ms. Sonika Bhutra

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

Srujan Alpha Capital Advisors LLP is the sole Lead Manager to this Offer and all the responsibilities relating to coordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

## **SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. 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 it's updated from time to time.

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

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

## **REGISTERED BROKERS**

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Applicant can submit Application Form for the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Brokers Centres.

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 SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on Registered Brokers, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

## **REGISTRAR TO THE OFFER AND SHARE TRANSFER AGENTS (“RTA”)**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, 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 the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

## **COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, 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. 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 Offer of Equity Shares, credit rating is not required.

## **IPO GRADING**

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

## **DEBENTURE TRUSTEES**

Since this is not a debenture issue, appointment of debenture trustee is not required.

## **MONITORING AGENCY**

Since our Offer size does not exceeds ₹10,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this Offer. 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 Offer.

## **FILING OF THE DRAFT PROSPECTUS/ PROSPECTUS**

The Draft Prospectus and Prospectus shall be filed on BSE SME situated at 25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra, India.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Draft Prospectus shall not be submitted to SEBI, however, soft copy of Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013

will be filed to the RoC Office situated at Registrar of Companies, Rajasthan, Corporate Bhavan, C/6-7, Residency Area Civil Lines, 1st Floor, Ashok Nagar, Jaipur-302001, Rajasthan.

#### APPRAISING ENTITY

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

#### TYPE OF OFFER

The present Offer is considered to be 100% Fixed Price Offer.

#### GREEN SHOE OPTION

No green shoe option is contemplated under the Offer.

#### EXPERT OPINION

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

Our Company has received written consent from the Statutory Auditors namely M/s J C Kabra & Associates, Chartered Accountants to include their name in respect of the reports on the Restated Financial Statements dated December 27, 2023 and the Statement of Possible Tax Benefits dated December 28, 2023 issued by them and included in this Draft Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Prospectus.

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

#### CHANGES IN AUDITORS

Except as disclosed below, there has been no change in Auditors during the last three years:

| Date of Resignation | From   | Date of appointment | To   | Reason for Change   |
|---------------------|--|---------------------|--|---|
| May 30, 2023        | <b>M/s D. Jain &amp; Company,</b><br>Chartered Accountants<br>G -1, Akshat Hari Niwas, B-47,<br>Ganesh Marg, Bapu Nagar,<br>Jaipur-302015, India<br><b>Tel No:</b> +91-9928685712<br><b>E-mail:</b><br>djaincompanyca@gmail.com<br><b>FRN:</b> 015243C | May 31, 2023        | <b>M/s J C Kabra &amp; Associates,</b><br>Chartered Accountants<br>301, D Definity, 1 <sup>st</sup> J P Road, Near<br>Anupam Talkies, Goregaon (East)<br>Mumbai-400063, Maharashtra, India<br><b>Tel No.:</b> 022-26850152<br><b>Email:</b> assist@jckca.com<br><b>Firm Registration No.:</b> 115749W<br><b>Peer Review Registration No.</b><br>013726 | Due to pre-occupation in other professional work.           |
| -                   | -  | August 9, 2023      | <b>M/s J C Kabra &amp; Associates,</b><br>Chartered Accountants<br>301, D Definity, 1 <sup>st</sup> J P Road, Near<br>Anupam Talkies, Goregaon (East)<br>Mumbai-400063, Maharashtra, India<br><b>Tel No.:</b> 022-26850152<br><b>Email:</b> assist@jckca.com<br><b>Firm Registration No.:</b> 115749W<br><b>Peer Review Registration No.</b><br>013726 | Regularization of the Auditor appointed earlier in vacancy. |

## UNDERWRITING AGREEMENT

This Offer is 100% Underwritten by [●] in the capacity of Underwriter to the Offer. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Offer:

| Details of the Underwriter | No. of Equity Shares Underwritten | Amount Underwritten | % of total Offer size underwritten |
|----------------------------|-----------------------------------|---------------------|------------------------------------|
| [●]                        | [●]                               | [●]                 | [●]                                |
| Total                      | [●]                               | [●]                 | [●]                                |

*\*Includes up to [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations, as amended.*

In accordance with Regulation 260(2) of the SEBI ICDR Regulations, this Offer has been 100% underwritten and shall not restrict to the minimum subscription level. Our Company shall ensure that the Lead Manager to the Offer have underwritten at least 15% of the total Offer Size.

In the opinion of the Board of our Directors of our company, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

## MARKET MAKER

[●]

### DETAILS OF THE MARKET MAKING AGREEMENT

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

[●], registered with BSE SME Platform will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by the 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 minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to issue 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. Based on the IPO price of ₹ [●] per share the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Offer). Any Equity Shares allotted to Market Maker under this Offer over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.



5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
7. 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.
8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME from time to time.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
12. 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.
13. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
14. In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company 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 SEBIICDR Regulations. Further the Company 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 total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.
15. Risk containment measures and monitoring for Market Maker: BSE SME will have all margins which are applicable on the 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.
16. Punitive Action in case of default by Market Maker: BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
17. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for Offer 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 Offer price.

Additionally, the trading shall take place in TTF 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.

18. The following spread will be applicable on the BSE SME:

| Sr. No. | Market Price Slab (in ₹) | Proposed spread (in % to sale price) |
|---------|--------------------------|--------------------------------------|
| 1.      | Up to 50                 | 9                                    |
| 2.      | 50 to 75                 | 8                                    |
| 3.      | 75 to 100                | 7                                    |
| 4.      | Above 100                | 6                                    |

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

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

20. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.
21. 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.
22. On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

## CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

| Sr. No. | Particulars  | Aggregate Value at Face Value | Aggregate Value at Offer Price <sup>(4)</sup> |
|---------|--|-------------------------------|---|
| A.      | <b>Authorized Share Capital</b>  |                               |   |
|         | 70,00,000 Equity Shares of face value of ₹10.00each  | 700.00                        | -   |
| B.      | <b>Issued, Subscribed and Paid-Up Equity Capital before the Offer</b>  |                               |   |
|         | 47,25,000 Equity Shares of face value of ₹10.00each  | 472.50                        | -   |
| C.      | <b>Present Offer in terms of this Draft Prospectus</b>   |                               |   |
|         | Offer of up to 15,30,000 Equity Shares of face value of ₹10.00each <sup>(1)</sup>  | 153.00                        | [●]   |
|         | <i>Which Comprises of:</i>   |                               |   |
|         | Fresh Issue of up to 9,70,000 Equity Shares  | 97.00                         | [●]   |
|         | Offer for Sale of up to 5,60,000 Equity Shares <sup>(2)</sup>  | 56.00                         | [●]   |
|         | <i>Of which:</i>   |                               |   |
|         | Up to [●] Equity Shares of face value of ₹10.00 each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion | [●]                           | [●]   |
|         | Net Offer to Public of up to [●] Equity Shares of ₹10.00 each at a price of ₹ [●] per Equity Share to the Public           | [●]                           | [●]   |
|         | <i>Of which<sup>(3)</sup></i>  |                               |   |
|         | Allocation to Retail Individual Investors of up to [●] Equity Shares   | [●]                           | [●]   |
|         | Allocation to other than Retail Individual Investors of up to [●] Equity Shares  | [●]                           | [●]   |
| D.      | <b>Paid-up Equity Capital after the Offer</b>  |                               |   |
|         | Up to 56,95,000 Equity Shares of face value of ₹10.00 each   | 569.50                        | -   |
| E.      | <b>Securities Premium Account</b>  |                               |   |
|         | Before the Offer   |                               | Nil   |
|         | After the Offer  |                               | [●]   |

(1) The present Offer has been authorized by our Board pursuant to a resolution passed at its meeting held on May 30, 2023 and by our Shareholders pursuant to a Special Resolution passed at the Extra-Ordinary General meeting held on May 31, 2023.

(2) The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details on authorization of the Selling Shareholders in relation to their portion of Offered Shares, please refer to the chapters titled "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 38 and 186 respectively.

(3) Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Size. 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.

(4) To be finalized upon determination of the Offer Price.

### **CLASS OF SHARES**

As on the date of Draft Prospectus, our Company has only one class of share capital i.e., Equity Shares of ₹10.00 each. All

Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

- (a) The initial authorized share capital of ₹10,00,000 divided into 1,00,000 Equity Shares of ₹10.00 each.
- (b) The authorized share capital was further increased from ₹10,00,000 divided into 1,00,000 Equity Shares of ₹10.00 each to ₹20,00,000 divided into 2,00,000 Equity Shares of ₹10.00 each vide Shareholders' Resolution dated June 13, 2009.
- (c) The authorized share capital was further increased from ₹20,00,000 divided into 2,00,000 Equity Shares of ₹10.00 to ₹3,00,00,000 divided into 30,00,000 Equity Shares of ₹10.00 each vide Shareholders' Resolution dated January 01, 2022.
- (d) The authorized share capital was further increased from ₹3,00,00,000 divided into 30,00,000 Equity Shares of ₹10.00 each to ₹ 7,00,00,000 divided into 70,00,000 Equity Shares of ₹10.00 each vide Shareholders' Resolution dated May 01, 2023.

### 2. Share Capital History of our Company

- a) Equity Share Capital History: The following table sets forth details of the history of the Equity Share capital of our Company:

| Date of Allotment  | No. of Equity Shares allotted | Face Value (₹) | Offer Price (₹) | Nature of Consideration | Nature of Allotment     | Cumulative No. of Equity Shares | Cumulative Paid-Up Equity Shares Capital (₹) | Cumulative Share Premium (₹) |
|--------------------|-------------------------------|----------------|-----------------|-------------------------|-------------------------|---------------------------------|--|------------------------------|
| Upon Incorporation | 10,000                        | 10.00          | 10.00           | Cash                    | Subscription to MOA (i) | 10,000                          | 1,00,000                                     | Nil                          |
| June 12, 2009      | 80,000                        | 10.00          | 60.00           | Cash                    | Further Allotment (ii)  | 90,000                          | 9,00,000                                     | 40,00,000                    |
| February 21, 2022  | 1,80,000                      | 10.00          | 85.00           | Cash                    | Right Issue (iii)       | 2,70,000                        | 27,00,000                                    | 1,75,00,000                  |
| July 22, 2022      | 10,80,000                     | 10.00          | NA              | Other than Cash         | Bonus Issue (iv)        | 13,50,000                       | 1,35,00,000                                  | 67,00,000                    |
| June 27 2023       | 33,75,000                     | 10.00          | NA              | Other than Cash         | Bonus Issue* (v)        | 47,25,000                       | 4,72,50,000                                  | Nil                          |

\*The Bonus Issue has been approved by our shareholders vide Extra- Ordinary General Meeting held on May 31, 2023.

- (i) *Initial Subscribers to the Memorandum of Association of our company:*

| Sr No | Name                     | No. of Equity Shares |
|-------|--------------------------|----------------------|
| 1.    | Mr. Rajesh Kumar Sodhani | 5,000                |
| 2.    | Mrs. Priya Sodhani       | 5,000                |
|       | <b>Total</b>             | <b>10,000</b>        |

(ii) Further Allotment of 80,000 Equity Shares of face value of ₹10.00 each:

| Sr No | Name                                 | No. of Equity Shares |
|-------|--------------------------------------|----------------------|
| 1.    | Euro Asia Mercantile (P) Ltd.        | 16,000               |
| 2.    | Shalini Holding Ltd.                 | 16,000               |
| 3.    | Ad Fin capital Service (I) Pvt Ltd.  | 16,000               |
| 4.    | Mani Mala Delhi Properties Pvt. Ltd. | 16,000               |
| 5.    | Lotus Realcon Pvt Ltd                | 16,000               |
|       | <b>Total</b>                         | <b>80,000</b>        |

(iii) Right Issue of 1,80,000 Equity Shares of face value of ₹10.00 each in the ratio of 2:1 i.e. 2 Equity Shares for 1 equity shares held:

| Sr. No | Names of Person          | Equity Shares Offered | Equity Shares Received/(Renounced) | Net Balance of Equity Shares |
|--------|--------------------------|-----------------------|------------------------------------|------------------------------|
| 1.     | Rajesh Kumar Sodhani HUF | 1,60,000              | (1,60,000)                         | Nil                          |
| 2.     | Mr. Rajesh Kumar Sodhani | 10,000                | 90,000                             | 1,00,000                     |
| 3.     | Mrs. Priya Sodhani       | 10,000                | 70,000                             | 80,000                       |
|        | <b>Total</b>             | <b>1,80,000</b>       | <b>Nil</b>                         | <b>1,80,000</b>              |

(iv) Bonus Issue of 10,80,000 Equity Shares of face value of ₹10.00 each in the ratio of 4:1 i.e., 4 Bonus Equity Shares for 1 equity shares held:

| Sr No | Name                     | No. of Equity Shares |
|-------|--------------------------|----------------------|
| 1.    | Mr. Rajesh Kumar Sodhani | 4,20,000             |
| 2.    | Mrs. Priya Sodhani       | 3,40,000             |
| 3.    | Rajesh Kumar Sodhani HUF | 3,20,000             |
|       | <b>Total</b>             | <b>10,80,000</b>     |

(v) Bonus Issue of 33,75,000 Equity Shares of face value of ₹10.00 each in the ratio of 2.5:1 i.e. 2.5 Bonus Equity Shares for 1 equity shares held:

| Sr No | Name                        | No of Equity Shares |
|-------|-----------------------------|---------------------|
| 1.    | Mr. Rajesh Kumar Sodhani    | 13,12,500           |
| 2.    | Mrs. Priya Sodhani          | 10,62,500           |
| 3.    | Rajesh Kumar Sodhani HUF    | 9,99,000            |
| 4.    | Mr. Kailash Chandra Sodhani | 250                 |
| 5.    | Mrs. Ganga Devi Sodhani     | 250                 |
| 6.    | Mrs. Komal Nazwani          | 250                 |
| 7.    | Mrs. Dropadi Devi Nazwani   | 250                 |
|       | <b>Total</b>                | <b>33,75,000</b>    |

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

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

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation:

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Offer Price (₹) | Reasons of Allotment | Benefits accrued to company | Allottees                | No. of Shares Allotted |
|-------------------|-------------------------------|----------------|-----------------|----------------------|-----------------------------|--------------------------|------------------------|
| June 27, 2023     | 33,75,000                     | 10.00          | NA              | Bonus Issue          | Expansion of capital base   | Mr. Rajesh Kumar Sodhani | 13,12,500              |
|                   |                               |                |                 |                      |                             | Mrs. Priya Sodhani       | 10,62,500              |

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Offer Price (₹) | Reasons of Allotment | Benefits accrued to company | Allottees                   | No. of Shares Allotted |
|-------------------|-------------------------------|----------------|-----------------|----------------------|-----------------------------|-----------------------------|------------------------|
|                   |                               |                |                 |                      | of the Company              | Rajesh Kumar Sodhani HUF    | 9,99,000               |
|                   |                               |                |                 |                      |                             | Mr. Kailash Chandra Sodhani | 250                    |
|                   |                               |                |                 |                      |                             | Mrs. Ganga Devi Sodhani     | 250                    |
|                   |                               |                |                 |                      |                             | Mrs. Komal Nazwani          | 250                    |
|                   |                               |                |                 |                      |                             | Mrs. Dropadi Devi Nazwani   | 250                    |

4. No equity shares have been allotted in terms of any scheme approved under sections 230-234 of the Companies Act, 2013.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.
6. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
7. Except as mentioned below, our Company has not issued Equity shares at price below the Issue price within last one year from the date of the Draft Prospectus

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Offer Price (₹) | Reasons of Allotment | Benefits accrued to company              | Allottees                   | No. of Shares Allotted |
|-------------------|-------------------------------|----------------|-----------------|----------------------|--|-----------------------------|------------------------|
| June 27, 2023     | 33,75,000                     | 10.00          | NA              | Bonus Issue          | Expansion of capital base of the Company | Mr. Rajesh Kumar Sodhani    | 13,12,500              |
|                   |                               |                |                 |                      |  | Mrs. Priya Sodhani          | 10,62,500              |
|                   |                               |                |                 |                      |  | Rajesh Kumar Sodhani HUF    | 9,99,000               |
|                   |                               |                |                 |                      |  | Mr. Kailash Chandra Sodhani | 250                    |
|                   |                               |                |                 |                      |  | Mrs. Ganga Devi Sodhani     | 250                    |
|                   |                               |                |                 |                      |  | Mrs. Komal Nazwani          | 250                    |
|                   |                               |                |                 |                      |  | Mrs. Dropadi Devi Nazwani   | 250                    |

## **8. Shareholding Pattern of our Company**

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Draft Prospectus:





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

a. As on the date of filing of this Draft Prospectus

| Sr No | Name of the Shareholder  | No of Equity Shares | Percentage of the pre-Offer Equity Share Capital (%) |
|-------|--------------------------|---------------------|--|
| 1.    | Mr. Rajesh Kumar Sodhani | 18,37,500           | 38.89  |
| 2.    | Mrs. Priya Sodhani       | 14,87,500           | 31.48  |
| 3.    | Rajesh Kumar Sodhani HUF | 13,98,600           | 29.60  |
|       | <b>Total</b>             | <b>47,23,600</b>    | <b>99.97</b>   |

b. Ten days prior to the date of filing of this Draft Prospectus

| Sr No | Name of the Shareholder  | No of Equity Shares | Percentage of the pre-Offer Equity Share Capital(%) |
|-------|--------------------------|---------------------|---|
| 1.    | Mr. Rajesh Kumar Sodhani | 18,37,500           | 38.89   |
| 2.    | Mrs. Priya Sodhani       | 14,87,500           | 31.48   |
| 3.    | Rajesh Kumar Sodhani HUF | 13,98,600           | 29.60   |
|       | <b>Total</b>             | <b>47,23,600</b>    | <b>99.97</b>  |

c. One Year prior to the date of filing of this Draft Prospectus

| Sr No | Name                     | No of Equity Shares | Percentage of the then Equity Share Capital (%) |
|-------|--------------------------|---------------------|---|
| 1.    | Mr. Rajesh Kumar Sodhani | 5,25,000            | 38.89   |
| 2.    | Mrs. Priya Sodhani       | 4,25,000            | 31.48   |
| 3.    | Rajesh Kumar Sodhani HUF | 4,00,000            | 29.60   |
|       | <b>Total</b>             | <b>13,50,000</b>    | <b>99.97</b>                                    |

d. Two Years prior to the date of filing of this Draft Prospectus

| Sr No | Name                     | No of Equity Shares | Percentage of the then Equity Share Capital (%)* |
|-------|--------------------------|---------------------|--|
| 1.    | Mr. Rajesh Kumar Sodhani | 5,000               | 5.56   |
| 2.    | Mrs. Priya Sodhani       | 5,000               | 5.56   |
| 3.    | Rajesh Kumar Sodhani HUF | 80,000              | 88.89  |
|       | <b>Total</b>             | <b>90,000</b>       | <b>100.00</b>                                    |

*\*Details of shares held on December 29<sup>th</sup> 2021 and percentage held has been calculated based on the paid-up capital of our Company as on December 29<sup>th</sup> 2021*

10. Our Company has not made any public offer (including any rights issue to the public) since its incorporation.

11. Our Company does not have any intention or proposal to alter our capital structure within a period of six (6) months from the date of opening of the Offer by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise, except that if our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

## 12. Shareholding of our Promoters

As on the date of this Draft Prospectus, our Promoters hold 99.97% of the pre-Offered, subscribed and paid-up Equity Share Capital of our Company.

Build-up of the shareholding of our Promoters in our Company since incorporation:

| Date of Allotment / Transfer    | Nature of Offer/ Transaction   | Nature of Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | FV (₹) | Acquisition / Transfer Price | % of Pre- Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|---------------------------------|--------------------------------|-------------------------|----------------------|---------------------------------|--------|------------------------------|--------------------------------------|---------------------------------------|
| <b>Mr. Rajesh Kumar Sodhani</b> |                                |                         |                      |                                 |        |                              |                                      |                                       |
| Upon Incorporation              | Subscription to MOA            | Cash                    | 5,000                | 5,000                           | 10.00  | 10.00                        | 0.11                                 | [●]                                   |
| February 21, 2022               | Right Issue                    | Cash                    | 1,00,000             | 1,05,000                        | 10.00  | 85.00                        | 2.12                                 | [●]                                   |
| July 22, 2022                   | Bonus Issue                    | Other than Cash         | 4,20,000             | 5,25,000                        | 10.00  | NA                           | 8.89                                 | [●]                                   |
| June 27, 2023                   | Bonus Issue                    | Other than Cash         | 13,12,500            | 18,37,500                       | 10.00  | NA                           | 27.78                                | [●]                                   |
| <b>Mrs. Priya Sodhani</b>       |                                |                         |                      |                                 |        |                              |                                      |                                       |
| Upon Incorporation              | Subscription to MOA            | Cash                    | 5,000                | 5,000                           | 10.00  | 10.00                        | 0.11                                 | [●]                                   |
| February 21, 2022               | Right Issue                    | Cash                    | 80,000               | 85,000                          | 10.00  | 85.00                        | 1.69                                 | [●]                                   |
| July 22, 2022                   | Bonus Issue                    | Other than Cash         | 3,40,000             | 4,25,000                        | 10.00  | NA                           | 7.20                                 | [●]                                   |
| June 27, 2023                   | Bonus Issue                    | Other than Cash         | 10,62,500            | 14,87,500                       | 10.00  | NA                           | 22.49                                | [●]                                   |
| <b>Rajesh Kumar Sodhani HUF</b> |                                |                         |                      |                                 |        |                              |                                      |                                       |
| September 29, 2009              | Acquisition by way of Transfer | Cash                    | 80,000               | 80,000                          | 10.00  | 10.00                        | 1.69                                 | [●]                                   |
| July 22, 2022                   | Bonus Issue                    | Other than Cash         | 3,20,000             | 4,00,000                        | 10.00  | N.A                          | 6.77                                 | [●]                                   |
| June 27, 2023                   | Bonus Issue                    | Other than Cash         | 9,99,000             | 13,98,600                       | 10.00  | N.A                          | 21.14                                | [●]                                   |
| <b>Total</b>                    |                                |                         | <b>47,23,600</b>     |                                 |        |                              | <b>99.97%</b>                        | <b>[●]</b>                            |

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

\* to be updated in the prospectus prior to filing with RoC

13. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below

| Sr. No. | Name of the Promoters    | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|--------------------------|--------------------|------------------------------------|
| 1.      | Mr. Rajesh Kumar Sodhani | 18,37,500          | 4.65                               |
| 2.      | Mrs. Priya Sodhani       | 14,87,500          | 4.61                               |

|    |                          |           |      |
|----|--------------------------|-----------|------|
| 3. | Rajesh Kumar Sodhani HUF | 13,98,600 | 0.54 |
|----|--------------------------|-----------|------|

**14. Pre-Offer and Post-Offer Shareholding of our Promoters, Promoter Group and Selling Shareholders:**

Following are the details of pre and post Offer shareholding of persons belonging to the category “Promoters, Promoter Group and Selling Shareholders”

| Category of Promoter                      | Pre-Offer        |                        | Post-Offer    |                         |
|---|------------------|------------------------|---------------|-------------------------|
|   | No. of Shares    | % of Pre-Offer Capital | No. of Shares | % of Post-Offer Capital |
| <b>Promoters and Selling Shareholders</b> |                  |                        |               |                         |
| Mr. Rajesh Kumar Sodhani*                 | 18,37,500        | 38.89%                 | [●]           | [●]%                    |
| Mrs. Priya Sodhani*                       | 14,87,500        | 31.48%                 | [●]           | [●]%                    |
| Rajesh Kumar Sodhani HUF#                 | 13,98,600        | 29.60%                 | [●]           | [●]%                    |
| <b>Promoter Group</b>                     |                  |                        |               |                         |
| Mr. Kailash Chandra Sodhani               | 350              | 0.01%                  | [●]           | [●]%                    |
| Mrs. Ganga Devi Sodhani                   | 350              | 0.01%                  | [●]           | [●]%                    |
| <b>Total</b>                              | <b>47,24,300</b> | <b>99.99%</b>          | <b>[●]</b>    | <b>[●]%</b>             |

*Note: All Equity Shares held by the Promoters has been dematerialized as on date of this Draft Prospectus.*

\* Promoters & Selling shareholders

# Promoter

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

| Name                     | Designation                             | No. of Equity Shares held |
|--------------------------|---|---------------------------|
| Mr. Rajesh Kumar Sodhani | Managing Director                       | 18,37,500                 |
| Mrs. Priya Sodhani       | Chairperson and Non -Executive Director | 14,87,500                 |

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

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

**18. Promoter’s Contribution and Lock-in details**

*Details of Promoters’ Contribution locked-in for three (3) years*

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20.00% of the post Offer Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of allotment in this Offer. As on date of this Draft Prospectus, our Promoters collectively hold up to 47,23,600 Equity Shares constituting 99.97% of the Pre Offered Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoters’ Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.00% of the post Offer Equity Share capital of our Company as Promoters’ Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters’ Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified below.

Details of the Equity Shares forming part of Promoters’ Contribution and their lock-in details are as follows:

| Name of Promoter         | Date of Allotment/Acquisition & when made fully paid up | No of Equity shares | No of Equity shares locked in | Face Value (in ₹) | Offer Price (in ₹) | Nature of Allotment | % Of Post-Offer Paid-up Capital | Lock-in Period |
|--------------------------|---|---------------------|-------------------------------|-------------------|--------------------|---------------------|---------------------------------|----------------|
| Mr. Rajesh Kumar Sodhani | [●]   | [●]                 | [●]                           | [●]               | [●]                | [●]                 | [●]                             | [●]            |
| Mrs. Priya Sodhani       | [●]   | [●]                 | [●]                           | [●]               | [●]                | [●]                 | [●]                             | [●]            |
| Rajesh Kumar Sodhani HUF | [●]   | [●]                 | [●]                           | [●]               | [●]                | [●]                 | [●]                             | [●]            |

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI ICDR Regulations. In this computation, as per Regulation 237 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- Equity Shares acquired three years preceding the date of this Draft Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution.
- The Equity Shares acquired during the year preceding the date of this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer is not part of the minimum promoters' contribution;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge or any other form of encumbrances.
- Specific written consent has been obtained from the Promoters for inclusion of [●] Equity Shares for ensuring lock-in of three years to the extent of minimum 20.00% of post Offer Paid-up Equity Share Capital from the date of allotment in the public Offer.
- The minimum Promoters' Contribution consists of Equity Shares allotted to the promoters against the capital for a period of more than one year on a continuous basis.
- The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoter under the SEBI ICDR Regulations.
- We further confirm that our Promoters' Contribution of minimum 20% of the Post Offer Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

***Equity Shares locked-in for one year other than Minimum Promoters' Contribution***

Pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Offer [●] Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Offer. However, it should be noted that the Offered Shares which will be transferred by the Selling Shareholders pursuant to the Offer for Sale shall not be subject to lock-in.

***Inscription or recording of non-transferability***

In terms of Regulation 241 of the SEBI ICDR Regulations, 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 our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- (a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Offer and pledge of equity shares is one of the terms of sanction of the loan;
- (b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

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

### ***Transferability of Locked in Equity Shares***

- (a) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
  - (b) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
19. Neither the Company, nor its Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
  20. All Equity Shares offered pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful Applicants will be offered fully paid-up Equity Shares.
  21. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the SEBI MB Regulations) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
  22. As on date of this Draft Prospectus, there are no outstanding ESOPs, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
  23. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Offer Procedure” beginning on page 206 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 253 (2) of SEBI ICDR Regulations, as amended from time to time.
  24. An over-subscription to the extent of 10% of the Net Offer 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 Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Net Offer, as a result of which, the post Offer paid up capital after the Offer 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 lock-in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.

25. Subject to valid applications being received at or above the Offer Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-  
spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
26. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
27. We have seven (7) Shareholders as on the date of filing of the Draft Prospectus.
28. As per RBI regulations, OCBs are not allowed to participate in this Offer.
29. Our Company has not raised any bridge loans.
30. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
31. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Offer.
32. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
33. Our Promoters and Promoter Group will not participate in the Offer, except to the extent of the Offer for Sale by the Selling Shareholders.
34. There are no safety net arrangements for this Public Offer.

## **SECTION V – PARTICULARS OF THE OFFER**

### **OBJECTS OF THE OFFER**

The Offer comprises of a Fresh Issue up to 9,70,000 Equity Shares by our Company, aggregating up to ₹ [●] lakhs and an Offer for Sale of up to 5,60,000 Equity Shares, aggregating up to ₹ [●] lakhs by the Selling Shareholders.

#### **OFFER FOR SALE**

Our Company will not receive any proceeds resulting from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. The listing fees shall be solely borne by our Company, barring which, all offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Offer and the offered shares sold by the Selling Shareholders in the Offer for Sale.

#### **FRESH ISSUE**

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Building content Studio and Offline training infrastructure
2. Information Technology (Hardware including Software) Procurement
3. Content Development for course material
4. Enhancement of brand visibility and awareness
5. Learning Management System (LMS) Application development
6. General Corporate Purpose

(Collectively, referred to herein as the “**Objects of the Fresh Issue**”)

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and brand image among our existing and potential customers.

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Offer.

#### **FRESH ISSUE PROCEEDS**

The details of the proceeds of the Fresh Issue are set forth below

| <b>Particulars</b>  | <b>(₹ in Lakhs)</b>     |
|---|-------------------------|
|   | <b>Estimated Amount</b> |
| Gross Proceeds of the Fresh Issue*  | [●]                     |
| Less: Offer related Expenses in relation to Fresh Offer (only those apportioned to the Company)** | [●]                     |
| <b>Net Proceeds of the Fresh Issue</b>  | <b>[●]</b>              |

\* to be updated in the prospectus prior to filing with RoC

\*\*The Issue related expenses are estimated expenses and subject to change

#### **UTILIZATION OF NET PROCEEDS**

Net Proceeds of the Fresh Issue are proposed to be utilized in the manner set out as follows;

| Sr. No | Particulars  | Estimated Amount<br>(₹ in Lakhs) | % of Gross<br>Proceeds | % of Net<br>Proceeds |
|--------|--|----------------------------------|------------------------|----------------------|
| 1.     | Building content Studio and Offline training infrastructure      | 80.00                            | [•]                    | [•]                  |
| 2.     | Information Technology (Hardware including Software) Procurement | 60.00                            | [•]                    | [•]                  |
| 3.     | Content Development for course material                          | 50.00                            | [•]                    | [•]                  |
| 4.     | Enhancement of brand visibility and awareness                    | 35.00                            | [•]                    | [•]                  |
| 5.     | Learning Management System (LMS) Application development         | 10.00                            | [•]                    | [•]                  |
| 6.     | General Corporate Purpose#                                       | [•]                              | [•]                    | [•]                  |
|        | <b>TOTAL</b>   | [•]                              | [•]                    | [•]                  |

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

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

The Net Proceeds of the Fresh Issue are currently expected to be deployed in accordance with the schedule as stated below:

| Sr. No | Object of the Fresh Issue  | Amount to be<br>financed from Net<br>Proceeds | (₹ in Lakhs)   |   |
|--------|--|---|--|---|
|        |  |   | Estimated<br>Utilization of<br>Net Proceeds<br>in F. Y.<br>2023-24 | Estimated<br>Utilization of Net<br>Proceeds in F. Y.<br>2024-25 |
| 1.     | Building content Studio and Offline Training infrastructure      | 80.00   | 12.00  | 68.00   |
| 2.     | Information Technology (Hardware Including Software) Procurement | 60.00   | 10.00  | 50.00   |
| 3.     | Content Development for course material                          | 50.00   | 15.00  | 35.00   |
| 4.     | Enhancement of brand visibility and awareness                    | 35.00   | 10.00  | 25.00   |
| 5.     | Learning Management System (LMS) Application development         | 10.00   | 5.00   | 5.00  |
| 6.     | General Corporate Purpose#                                       | [•]   | [•]  | [•]   |
|        | <b>TOTAL</b>   | [•]   | [•]  | [•]   |

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

#### REQUIREMENTS OF FUNDS AND MEANS OF FINANCE

The fund requirements mentioned above are based on internal management estimates of our Company and the Lead Manager do not have any opinion on the justification for the same with regards to its exact requirement. Also the fund requirements have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment etc. The figures are relied on the documentary evidences provided by our Company, up to the extent available.

We propose to meet the entire requirement of funds for the Objects from the Net Proceeds of the Fresh Issue. Accordingly, the requirement under Regulation 230(1)(e) of the SEBI ICDR Regulations of firm arrangements of finance through verifiable



means towards 75% of the stated means of finance excluding the amount to be raised through Issue Proceeds or Internal Accruals is not applicable.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. In case of delays in raising funds from the Fresh Issue, our Company may deploy certain amounts towards any of the above-mentioned objects through Internal Accruals and in such case the Funds raised shall be utilized towards recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Fresh Issue Proceeds.

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

For further details on the risks involved in our business plans and executing our business strategies, please see the chapter titled "Risk Factors" beginning on page 24 of this Draft Prospectus.

## DETAILS OF USE OF THE PROCEEDS

### 1. Building Content Studio and Offline Training Infrastructure

Content studio and offline training infrastructure will empower our trainers to produce and manage engaging course delivery content. The proposed content studio and offline training infrastructure will offer a range of facilities like recording, editing, designing, live streaming & delivery of various types of content. Studio and offline training infrastructure for content creation and course delivery will help us to create an immersive and impactful learning environment that facilitates the effective development of financial literacy skills for learners. The offline training infrastructure will include session rooms where content and session delivery can be imparted to the learners in offline mode also.

Our company proposes to build our second content studio and offline training infrastructure at one more location at Jaipur in addition to our existing content studio and offline training infrastructure located at Basement Floor of our registered office situated at P No. C 373, First Floor, C Block, Vaishali Nagar, Jaipur-302021, Rajasthan, India. The management of our company is in the process of identifying the suitable location in the city of Jaipur based on various business matrix such as locational advantages and cost. However, our company has not entered any formal agreement as of now.

In order to set up the Content studio and Offline Training infrastructure, we plan to allocate upto ₹ 80.00 Lakhs from the Net Proceeds of Fresh Issue. The estimated expenditure of setting up the Content studio and Offline Training infrastructure is based on quotation (Turnkey basis-validity for 6 months) received from M/s S.K Interiors, Jaipur as mentioned below:

(₹ in Lakhs)

| S<br>r.<br>N<br>o | Particulars                                     | Deployment FY 23-24 | Deployment FY 24-25 | Total Amount |
|-------------------|---|---------------------|---------------------|--------------|
| 1.                | Civil work:<br>4000sqft x 1040Rs/sqft           | 6.24                | 35.36               | 41.60        |
|                   | False ceiling work:<br>4000sqft x 130rs/sqft    | 0.78                | 4.42                | 5.20         |
|                   | Doors and Partitions:<br>2500 sqft x 200rs/sqft | 0.75                | 4.25                | 5.00         |
|                   | Flooring work:<br>4000sqft x 100rs/sqft         | 0.60                | 3.40                | 4.00         |
|                   |   | 0.45                | 2.55                |              |

|              |  |                      |                      |                              |
|--------------|--|----------------------|----------------------|------------------------------|
| 2.           | Interiors and Fixtures:<br>Air Conditioning -10 units<br>Wooden work:<br>1500 sqft x 600rs/sqft<br>Furniture:<br>Water proof with modular fittings<br>Glass work:<br>800 sqft x 400rs/sqft | 1.35<br>0.75<br>0.48 | 7.65<br>4.25<br>2.72 | 3.00<br>9.00<br>5.00<br>3.20 |
| 3.           | Electrical infrastructure:<br>4000 sqft x 100rs/sqft   | 0.60                 | 3.40                 | 4.00                         |
| <b>Total</b> |  | <b>12.00</b>         | <b>68.00</b>         | <b>80.00</b>                 |

## 2. Information Technology (Hardware including Software) Procurement

Building robust Information Technology (Hardware and Software) Infrastructure is critical to the delivery of our business. A robust Information Technology Infrastructure will enable us to effectively create and deliver content in our domain and also help us to scale up our business in both online and offline mode. Our Company has earmarked an amount of upto ₹ 60.00 Lakhs out of the Net Proceeds of Fresh Issue for building the purchase of Computer / Laptops and other hardware and software.

(₹ in Lakhs)

| Sr. No       | Details of Hardware including Software Procurement                 | Quotation received from | Validity | Total Deployment FY23-24 | Total Deployment FY24-25 | Total        |
|--------------|--|-------------------------|----------|--------------------------|--------------------------|--------------|
| 1.           | Laptops (Model: Dell INSPIRON 13 <sup>th</sup> gen 3530) (Nos: 36) | Shri Shyam Computers    | 6 Months | 4.00                     | 22.00                    | 26.00        |
| 2.           | I5 12 <sup>th</sup> gen Intel 24" LED IPS Display (Nos: 45)        |                         |          | 6.00                     | 28.00                    | 34.00        |
| <b>Total</b> |  |                         |          | <b>10.00</b>             | <b>50.00</b>             | <b>60.00</b> |

## 3. Content Development for course material

We are in the business of providing learning, training and consultancy solutions to students, graduates (collectively "Students"), professionals, non-working individuals and homemakers, (collectively "Learners") in the domain of financial literacy and financial market.

Comprehensive, relevant and contemporary content is the core asset of our business delivery. Dynamic content is important to create financial knowhow among the learners which will ultimately help us achieve the objective of our business of financial literacy and awareness. Our portfolio encompasses content and delivery related to equity market, mutual funds' investments, financial planning and content deliveries aimed towards creating awareness among investors. In the past, our content material has been developed by our internal teams. We have delivered learning sessions on 10 major themes and intend to enhance our delivery portfolio to more than 30 contemporary subjects, in different domain like mutual fund awareness, stock market trading, technical charts and fundamental analysis and likewise. Going further, in order to expand our content portfolio, we would be empanelling external subject experts for developing course content on project basis.

We intend to utilize a part of the Net Proceeds of Fresh Issue towards extending our course delivery portfolio. The proposed course and content portfolio will be developed by experienced professionals having in depth knowledge in the specific subject context. Our company will onboard/appoint these experienced professional on project basis under a MOU/letter of interest. Based on our past experience regarding cost for developing such delivery content and course collaterals, the average cost charged by the course creators/professional is estimated to be between Rs.4.00-5.00 lakhs per

content/course. As per the estimates based on our expansion strategy for next 12-18 months, we would be developing course content/material for 12 topics/subjects. Accordingly the cost of expanding our course portfolio is estimated to be ₹ 50.00 Lakh, which will be utilized from the issue proceeds.

(₹ in Lakhs)

| Sr. No. | Particulars   | Average cost of course Creation | Estimated Utilization of Net Proceeds in F. Y. 2023-24 | Estimated Utilization of Net Proceeds in F. Y.2024-25 |
|---------|---|---------------------------------|--|---|
| 1       | Development of course and content portfolio.<br>(Estimated number of course content/material to be developed: 12) | 4.00-5.00                       | 15.00  | 35.00   |

As on the date of this offer document, our company has not entered into any MOUs with content developers. The actual cost of any content development varies on factors such as volume of the content, subject/theme and depth of delivery. Our management plans to allocate ₹ 50 lakhs from the Net Offer proceeds to be utilized for the aforesaid object.

#### 4. Enhancement of brand visibility and awareness

The primary objective of our company is to foster knowledge dissemination among our target students and learners in the domain of finance and related subjects. To effectively reach our intended audience, it is imperative for us to augment our brand visibility and cultivate awareness about financial literacy as an independent discipline. To achieve these goals, we have formulated a strategy encompassing the creation and dissemination of audio, print, and visual advertisements through diverse media channels. Additionally, we plan to develop branded merchandise for our team participants, thereby enhancing the value of our brand. Moreover, we recognize the criticality of digital media outreach in our company's operations and brand-building endeavors. Consequently, a portion of the net proceeds will be allocated to various marketing avenues. In light of the pervasive online presence of individuals, maintaining a consistent, active, and engaging online media presence is of paramount importance. Along with building our online presence we also want to create our brand recognition via conventional and offline channels.

The Company plans to earmark upto ₹ 35.00 Lakhs towards the expenditure for enhancing visibility and awareness. Our company has received quotations for respective heads of the expenditure as per the details herewith. The overall budget for brand visibility and awareness is based on management estimates as per our nature of business and business strategy plan.

(₹ in Lakhs)

| Sr. No | Particulars   | Quotation received from                | Valid till            | Deployment FY 23-24 | Deployment FY 24-25 | Total amount  |
|--------|---|--|-----------------------|---------------------|---------------------|---------------|
| 1.     | Social Media Marketing and Paid Promotion                   | E Sage IT Services Private Limited     | Mar 31, 2024          | 2.00                | 4.42                | 6.42          |
| 2.     | Printing of merchandise and marketing material              | Maheshwari Garments and Triveni Cards  | Mar 31, 2024          | 4.00                | 10.32               | 14.32         |
| 3.     | Print media advertisement including newspaper and magazines | Sunjeet Communications Private Limited | Till further revision | 2.00                | 2.80                | 4.80          |
| 4.     | FM commercials  | Kore Media Services                    | Till further revision | 2.00                | 7.45                | 9.45          |
|        | <b>TOTAL</b>  |  |                       | <b>10.00</b>        | <b>25.00*</b>       | <b>35.00*</b> |

\*Rounded off to nearest whole number.

## 5. Learning Management System Application development

Our Company implements a hybrid mode of course delivery incorporating both Online and Offline element. Furthermore, we firmly believe that establishing a digital presence is essential for the success of our business model. In order to effectively engage with our potential and existing students and learners through a digital interface, we intend to allocate upto ₹ 10.00 Lakhs towards integrating our existing website ([www.safefintech.in](http://www.safefintech.in)) with a Learning Management System Application (LMS). LMS would be a customized application to cater for wide diversity of users from School Students to Working professionals. The LMS would be crucial for expanding our footprint and facilitating unique Learner- Instructor experience.

Few salient features of the proposed LMS application are:

- Maintaining online records for post training services.
- Maintaining data base of learners.
- Generating leads for onboarding new learners.
- Generating reports for management decision making.

The estimated budget for customization and integration of LMS with our existing website is based on quotation received from respective vendors.

(₹ in Lakhs)

| Sr. No | Particulars  | Quotation received from                             | Valid till   | Deployment FY 23-24 | Total Amount |
|--------|--|---|--------------|---------------------|--------------|
| 1.     | LMS Application development                          | Sowere Technologies and Innovations Private Limited | Mar 31, 2024 | 8.40                | 8.40         |
| 2.     | Website updation and integration of LMS with Website | Sowere Technologies and Innovations Private Limited | Mar 31, 2024 | 1.60                | 1.60         |
|        | <b>TOTAL</b>   |   |              | 10.00               | 10.00        |

## 6. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds of Fresh Issue towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in accordance with Regulation 230(2) of the SEBI ICDR Regulations, to drive our business growth.

Our management, in accordance with the policies of the Board will have flexibility to deploy the balance Net Proceeds of the Issue towards general corporate purposes for avenues such as but not limited to;

- funding growth opportunities, including strategic initiatives,
- meeting of any business exigencies which our Company may face in the course of any business and
- any other purpose as may be approved by our Board, subject to compliance with the applicable laws.

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.

### Offer Related Expenses

The total estimated offer related Expenses are ₹ [●] Lakhs, which is [●] % of the total Offer Size. The details of the Offer Expenses are tabulated below:

| Sr. | Particulars | Amount          | % of Total  | % of                |
|-----|-------------|-----------------|-------------|---------------------|
| No. |             | (₹ in lakhs)(1) | Expenses(1) | Total Issue size(1) |

|              |   |     |      |      |
|--------------|---|-----|------|------|
| <b>1</b>     | Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses. | [●] | [●]% | [●]% |
| <b>2</b>     | Brokerage and selling commission  | [●] | [●]% | [●]% |
| <b>3</b>     | Printing & Stationery, Distribution, Postage, etc.  | [●] | [●]% | [●]% |
| <b>4</b>     | Advertisement and Marketing Expenses  | [●] | [●]% | [●]% |
| <b>5</b>     | Stock Exchange Fees, Regulatory and other Expenses  | [●] | [●]% | [●]% |
| <b>Total</b> |   | [●] | [●]% | [●]% |

(1) Will be incorporated at the time of filing of the Prospectus and on determination of Offer Price and other details.

## Appraisal

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

## Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans. Accordingly, in case of specific object of the offer where the amount of quotation is more than the amount to be deployed through IPO proceeds, such shortfall would be met through internal accruals.

## Bridge Financing Facilities

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

## Monitoring Utilization of Funds

As the size of the Offer will not exceed ₹10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the objects of the offer as stated above.

## Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

## **Variation in Objects**

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

## **Other confirmations**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and 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 and senior management except in the normal course of business and in compliance with the applicable laws.

## **BASIS FOR OFFER PRICE**

The Offer Price will be determined by our Company and Selling Shareholders, in consultation with the LM on the basis of an assessment of market demand for the Equity Shares offered through the fixed price method and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Offer Price is [●] times of the face value.

Investors should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 24, 139, 166 and 94 respectively of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### **QUALITATIVE FACTORS**

Some of the qualitative factors and our strengths which form the basis for the Offer price are:

- Proven track record of our trainers;
- Brand Image
- Technology driven, Asset light and Scalable business model
- Focus on Practice and learning
- Diversified course offerings
- Pandemic Proof Model

For further details regarding some of the qualitative factors, which form the basis for computing the Offer Price, please see chapter titled “Our Business” beginning on page 95 of this Draft Prospectus.

### **QUANTITATIVE FACTORS**

The information presented in this chapter is derived from company’s Restated Financial for the period ended November 30, 2023 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Indian GAAP. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page 139 of this Draft Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

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

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting for the effects of all dilutive potential equity shares}}$$

| <b>Particulars</b>      | <b>Basic &amp; Diluted EPS (in ₹)</b> | <b>Weights</b> |
|-------------------------|---------------------------------------|----------------|
| March 31, 2021          | 0.26                                  | 1              |
| March 31, 2022          | 10.42                                 | 2              |
| March 31, 2023          | 2.93                                  | 3              |
| <b>Weighted Average</b> | <b>4.98</b>                           |                |
| November 30, 2023       | 1.83*                                 |                |

\*Not Annualized

Notes:

- i. The figures disclosed above are based on the restated financial statements of the Company. The face value of each Equity Share is ₹10.00.
- ii. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure 4 of financials Information” beginning on page no. 139this Draft Prospectus.

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

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Offer Price}}{\text{Restated Earnings Per Share}}$$

| Particulars   | P/E (number of times) |
|---|-----------------------|
| <b>Based on Restated Financial Statements – Post Bonus</b>                                |                       |
| P/E ratio based on the Basic & Diluted EPS, as restated for period ended November 30,2023 | [●]                   |
| P/E ratio based on the Weighted Average Basic & Diluted EPS                               | [●]                   |

**3. Return on Net worth (RoNW )**

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Standalone Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} * 100$$

| Particulars             | RONW (%)     | Weights |
|-------------------------|--------------|---------|
| March 31, 2021          | 5.02         | 1       |
| March 31, 2022          | 36.63        | 2       |
| March 31, 2023          | 29.07        | 3       |
| <b>Weighted Average</b> | <b>27.58</b> |         |
| November 30,2023        | 15.33*       |         |

\*Not Annualized

*Note: The RoNW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.*

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

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Standalone Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$

| Financial Year  | NAV (₹) |
|---|---------|
| March 31, 2021  | 5.24    |
| March 31, 2022  | 28.45   |
| March 31, 2023  | 10.09   |
| November 30,2023  | 11.92   |
| Net Asset Value per Equity Share after the Offer at Offer Price | [●]     |
| Offer Price   | [●]     |

**5. Comparison of Accounting Ratios with Industry Peers**

While our company operating in the Education and Financial Literacy Industry but there are no listed companies that are engaged in the business exactly similar to ours. Hence we do not believe that there are any listed industry peers.

6. The face value of our shares is ₹10.00 per share and the Offer Price is of [●] per share which is [●] times of the face value.
7. The Offer Price determined by our Company and the Selling Shareholders in consultation with the Lead Manager is



justified by our Company in consultation with the Lead Manager on the basis of the above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer document to have more informed view about the investment.

## 8. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated December 27, 2023 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. J C Kabra & Associates, Chartered Accountants, by their certificate dated December 28, 2023 having UDIN 23137012BGPQXZ4539.

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.

### Key Performance Indicators of our Company

(₹. in lakhs)

| Particulars   | As of and for the Eight-month period ended November 30, 2023* | Fiscal 2023 | Fiscal 2022 | Fiscal 2021 |
|---|---|-------------|-------------|-------------|
| Revenue from Operations   | 92.56   | 137.58      | 185.89      | 15.14       |
| EBITDA <sup>(1)</sup>   | 110.94  | 175.44      | 173.41      | 25.00       |
| EBITDA Margin (%) <sup>(2)</sup>                                | 119.85%   | 127.52%     | 93.29%      | 165.10%     |
| Restated profit for the period / year                           | 86.33   | 138.60      | 123.91      | 3.08        |
| Restated profit for the period / year Margin (%) <sup>(3)</sup> | 93.26%  | 100.74%     | 66.66%      | 20.35%      |
| Return on Average Equity ("RoAE") (%) <sup>(4)</sup>            | 16.60%  | 34.01%      | 62.02%      | 5.15%       |
| Return on Capital Employed ("RoCE") (%) <sup>(5)</sup>          | 19.70%  | 36.79%      | 51.27%      | 40.75%      |
| Net Debt / EBITDA Ratio   | -   | 0.02        | 0.02        | 0.02        |

Notes:

<sup>(1)</sup> EBITDA is calculated as restated profit for the period / year plus tax expense plus depreciation and amortization plus finance costs plus exceptional items.

<sup>(2)</sup> EBITDA Margin is calculated as EBITDA divided by revenue from operations excluding other Income.

<sup>(3)</sup> Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations excluding other Income.

<sup>(4)</sup> RoAE is calculated as Net profit after tax divided by Average Equity.

<sup>(5)</sup> *RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed.*

### **Explanation for the Key Performance Indicators**

**Revenue from operations:** *Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.*

**EBITDA:** *EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company.*

**EBITDA margin:** *EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortization, and taxes.*

**Restated profit for the period / year:** *Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during the a given period. It provides information regarding the profitability of the business of our Company.*

**Restated profit for the period / year margin:** *Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.*

**Return on Average Equity (“RoAE”):** *RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.*

**Return on Capital Employed (“RoCE”):** *RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoCE is indicative of the profit generation by our Company against the capital employed.*

**Net Debt/ EBITDA:** *Net Debt to EBITDA is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. It shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.*

### **Weighted average cost of acquisition**

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

There has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue on June 27, 2023 and July 22, 2022 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) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days as per below details:-

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

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

| Date of Allotment   | No. of equity shares allotted | Face Value per Equity share (₹) | Issue price per equity share | Consideration (Cash / Other than cash) | Nature of Allotment | Consideration(₹) |
|---|-------------------------------|---------------------------------|------------------------------|--|---------------------|------------------|
| February 21, 2022   | 1,80,000                      | 10.00                           | 85.00                        | Cash                                   | Right Issue         | 1,53,00,000      |
| July 22, 2022   | 10,80,000                     | 10.00                           | NA                           | Other than Cash                        | Bonus Issue         | Nil              |
| June 27, 2023   | 33,75,000                     | 10.00                           | NA                           | Other than Cash                        | Bonus Issue         | Nil              |
| <b>Weighted Average Cost of Acquisition per share<br/>[Total Consideration/Total Number of Shares Allotted]</b> |                               |                                 |                              |  |                     | <b>3.30</b>      |

- d. Weighted average cost of acquisition on issue price

| Types of transactions  | Weighted average cost of Acquisition (₹ per Equity Shares) | Offer price (i.e. ₹ [●]/-) |
|--|--|----------------------------|
| Weighted average cost of acquisition of primary / new issue as per paragraph a above.                          | NA   | NA                         |
| Weighted average cost of acquisition for Secondary sale / acquisition as per paragraph above.                  | NA   | NA                         |
| Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above | 3.30   | [●]                        |

\*\* There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) (excluding gifts) which is equal to or more than 5% of the fully diluted paid up share capital of the Company in last 18 months from the date of this Draft Prospectus.

## **STATEMENT OF POSSIBLE TAX BENEFITS**

To,  
The Board of Directors,  
Sodhani Academy of Fintech Enablers Limited  
(Formerly known as Sodhani Financial Consultants Limited)  
P No. C 373, First Floor, C Block Vaishali Nagar,  
Jaipur-302021, Rajasthan, India  
Dear Sir,

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

We hereby confirm that the enclosed Annexure 1 and 2 (together "the Annexures"), prepared by Sodhani Academy of Fintech Enablers Limited ('the Company'), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ('the Act') as amended by the Finance Act 2023, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), as amended by the Finance Act 2023 circular and notifications issued from time to time, i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, presently in force in India (together, the "Tax Laws"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

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

6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus /Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For J C KABRA & ASSOCIATES**

Chartered Accountants

Firm Registration Number: 115749W

CA VIKASH KUMAR SOMANI

Partner

Membership Number: 137012

UDIN: 23137012BGPQYF8432

Place : Jaipur

Date : December 28, 2023

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

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

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

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

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

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

#### **Note:**

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

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

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

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

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

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

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

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

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

#### **Note:**

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

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

## **SECTION VI – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Lead Manager nor any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Statements" on pages 24 and 137 respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 24. Accordingly, investment decisions should not be based on such information.*

#### **Global Economic Overview**

Global growth has slowed to the extent that the global economy is perilously close to falling into recession—defined as a contraction in annual global per capita income—only three years after emerging from the pandemic-induced recession of 2020. Very high inflation has triggered unexpectedly rapid and synchronous monetary policy tightening around the world to contain it, including across major advanced economies. Although this tightening has been necessary for price stability, it has contributed to a significant worsening of global financial conditions, which is exerting a substantial drag on activity.

Against this backdrop, confidence has fallen precipitously. The world's three major engines of growth—the United States, the euro area, and China—are undergoing a period of pronounced weakness, with adverse spillovers for emerging market and developing economies (EMDEs), many of which are already struggling with weakening domestic conditions. Global inflation has been pushed higher by demand pressures, including those from the lagged effects of earlier policy support, and supply shocks, including disruptions to both global supply chains and the availability of key commodities. In some countries, inflation has also been spurred by large currency depreciations relative to the U.S. dollar, as well as tight labor market conditions. Inflation remains high worldwide and well above central bank targets in almost all inflation targeting economies. Although inflation is likely to gradually moderate over the course of the year, there are signs that underlying inflation pressures could be becoming more persistent. In response, central banks around the world have been tightening policy faster than previously expected.



**TABLE 1.1 Real GDP<sup>1</sup>**

(Percent change from previous year unless indicated otherwise)

 Percentage point differences from  
June 2022 projections

|   | 2020 | 2021  | 2022e | 2023f | 2024f | 2022e | 2023f | 2024f |
|---|------|-------|-------|-------|-------|-------|-------|-------|
| <b>World</b>                                    | -3.2 | 5.9   | 2.9   | 1.7   | 2.7   | 0.0   | -1.3  | -0.3  |
| <b>Advanced economies</b>                       | -4.3 | 5.3   | 2.5   | 0.5   | 1.6   | -0.1  | -1.7  | -0.3  |
| United States                                   | -2.8 | 5.9   | 1.9   | 0.5   | 1.6   | -0.6  | -1.9  | -0.4  |
| Euro area                                       | -6.1 | 5.3   | 3.3   | 0.0   | 1.6   | 0.8   | -1.9  | -0.3  |
| Japan   | -4.3 | 2.2   | 1.2   | 1.0   | 0.7   | -0.5  | -0.3  | 0.1   |
| <b>Emerging market and developing economies</b> | -1.5 | 6.7   | 3.4   | 3.4   | 4.1   | 0.0   | -0.8  | -0.3  |
| <b>East Asia and Pacific</b>                    | 1.2  | 7.2   | 3.2   | 4.3   | 4.9   | -1.2  | -0.9  | -0.2  |
| China   | 2.2  | 8.1   | 2.7   | 4.3   | 5.0   | -1.6  | -0.9  | -0.1  |
| Indonesia                                       | -2.1 | 3.7   | 5.2   | 4.8   | 4.9   | 0.1   | -0.5  | -0.4  |
| Thailand  | -6.2 | 1.5   | 3.4   | 3.6   | 3.7   | 0.5   | -0.7  | -0.2  |
| <b>Europe and Central Asia</b>                  | -1.7 | 6.7   | 0.2   | 0.1   | 2.8   | 3.2   | -1.4  | -0.5  |
| Russian Federation                              | -2.7 | 4.8   | -3.5  | -3.3  | 1.6   | 5.4   | -1.3  | -0.6  |
| Türkiye   | 1.9  | 11.4  | 4.7   | 2.7   | 4.0   | 2.4   | -0.5  | 0.0   |
| Poland  | -2.0 | 6.8   | 4.4   | 0.7   | 2.2   | 0.5   | -2.9  | -1.5  |
| <b>Latin America and the Caribbean</b>          | -6.2 | 6.8   | 3.6   | 1.3   | 2.4   | 1.1   | -0.6  | 0.0   |
| Brazil  | -3.3 | 5.0   | 3.0   | 0.8   | 2.0   | 1.5   | 0.0   | 0.0   |
| Mexico  | -8.0 | 4.7   | 2.6   | 0.9   | 2.3   | 0.9   | -1.0  | 0.3   |
| Argentina                                       | -9.9 | 10.4  | 5.2   | 2.0   | 2.0   | 0.7   | -0.5  | -0.5  |
| <b>Middle East and North Africa</b>             | -3.6 | 3.7   | 5.7   | 3.5   | 2.7   | 0.4   | -0.1  | -0.5  |
| Saudi Arabia                                    | -4.1 | 3.2   | 8.3   | 3.7   | 2.3   | 1.3   | -0.1  | -0.7  |
| Iran, Islamic Rep. <sup>2</sup>                 | 1.9  | 4.7   | 2.9   | 2.2   | 1.9   | -0.8  | -0.5  | -0.4  |
| Egypt, Arab Rep. <sup>3</sup>                   | 3.6  | 3.3   | 6.6   | 4.5   | 4.8   | 0.5   | -0.3  | -0.2  |
| <b>South Asia</b>                               | -4.5 | 7.9   | 6.1   | 5.5   | 5.8   | -0.7  | -0.3  | -0.7  |
| India <sup>2</sup>                              | -6.6 | 8.7   | 6.9   | 6.6   | 6.1   | -0.6  | -0.5  | -0.4  |
| Pakistan <sup>3</sup>                           | -0.9 | 5.7   | 6.0   | 2.0   | 3.2   | 1.7   | -2.0  | -1.0  |
| Bangladesh <sup>4</sup>                         | 3.4  | 6.9   | 7.2   | 5.2   | 6.2   | 0.8   | -1.5  | -0.7  |
| <b>Sub-Saharan Africa</b>                       | -2.0 | 4.3   | 3.4   | 3.6   | 3.9   | -0.3  | -0.2  | -0.1  |
| Nigeria   | -1.8 | 3.6   | 3.1   | 2.9   | 2.9   | -0.3  | -0.3  | -0.3  |
| South Africa                                    | -6.3 | 4.9   | 1.9   | 1.4   | 1.8   | -0.2  | -0.1  | 0.0   |
| Angola  | -5.8 | 0.8   | 3.1   | 2.8   | 2.9   | 0.0   | -0.5  | -0.3  |
| <b>Memorandum Items:</b>                        |      |       |       |       |       |       |       |       |
| <b>Real GDP<sup>1</sup></b>                     |      |       |       |       |       |       |       |       |
| High-income countries                           | -4.3 | 5.3   | 2.7   | 0.6   | 1.6   | 0.0   | -1.6  | -0.4  |
| Middle-income countries                         | -1.2 | 6.9   | 3.2   | 3.4   | 4.3   | -0.1  | -0.8  | -0.2  |
| Low-income countries                            | 1.6  | 3.9   | 4.0   | 5.1   | 5.6   | 0.0   | -0.1  | 0.0   |
| EMDEs excl. China                               | -3.9 | 5.7   | 3.8   | 2.7   | 3.6   | 1.1   | -0.7  | -0.4  |
| Commodity-exporting EMDEs                       | -3.7 | 4.9   | 2.8   | 1.9   | 2.8   | 1.6   | -0.7  | -0.4  |
| Commodity-importing EMDEs                       | -0.4 | 7.6   | 3.6   | 4.1   | 4.8   | -0.8  | -0.8  | -0.2  |
| Commodity-importing EMDEs excl. China           | -4.2 | 6.8   | 5.0   | 3.8   | 4.5   | 0.4   | -0.7  | -0.4  |
| EM7   | -0.4 | 7.4   | 3.0   | 3.5   | 4.5   | -0.3  | -0.8  | -0.2  |
| World (PPP weights) <sup>4</sup>                | -2.8 | 6.1   | 3.1   | 2.2   | 3.2   | 0.0   | -1.2  | -0.3  |
| <b>World trade volume<sup>5</sup></b>           | -8.2 | 10.6  | 4.0   | 1.6   | 3.4   | 0.0   | -2.7  | -0.4  |
| <b>Commodity prices<sup>6</sup></b>             |      |       |       |       |       |       |       |       |
| Energy price index                              | 52.7 | 95.4  | 151.7 | 130.5 | 118.3 | 7.1   | 4.4   | 7.2   |
| Oil price (US\$ per barrel)                     | 42.3 | 70.4  | 100.0 | 88.0  | 80.0  | 0.0   | -4.0  | 0.0   |
| Non-energy commodity price index                | 84.4 | 112.0 | 123.7 | 113.7 | 113.0 | -8.4  | -7.6  | -4.6  |

 Source: World Bank, *Global Economic Prospects*, Jan-23

### Forces Shaping Outlook

The global fight against inflation, Russia's war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023. Despite these headwinds, real GDP was surprisingly strong in the third quarter of 2022 in numerous economies, including the United States, the euro area, and major emerging market and developing economies. The sources of these surprises were in many cases domestic: stronger-than-expected private consumption and investment amid tight labour markets and greater-than-anticipated fiscal support. Households spent more to satisfy pent-up demand, particularly on services, partly by drawing down their stock of savings as economies reopened. Business investment rose to meet demand. On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed for a rebound in previously constrained sectors, such as motor vehicles. Energy markets have adjusted faster than expected to the shock from Russia's invasion of Ukraine.

In the fourth quarter of 2022, however, this uptick is estimated to have faded in most—though not all—major economies. US growth remains stronger than expected, with consumers continuing to spend from their stock of savings (the personal

saving rate is at its lowest in more than 60 years, except for July 2005), unemployment near historic lows, and plentiful job opportunities. But elsewhere, high-frequency activity indicators (such as business and consumer sentiment, purchasing manager surveys, and mobility indicators) generally point to a slowdown.

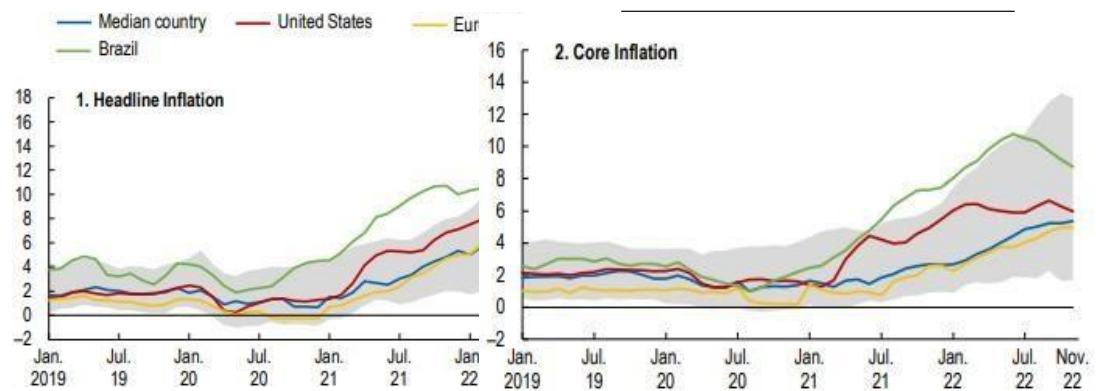
COVID-19 deepens China’s slowdown. Economic activity in China slowed in the fourth quarter amid multiple large COVID-19 outbreaks in Beijing and other densely populated localities. Renewed lockdowns accompanied the outbreaks until the relaxation of COVID-19 restrictions in November and December, which paved the way for a full reopening.

Real estate investment continued to contract, and developer restructuring is proceeding slowly, amid the lingering property market crisis. Developers have yet to deliver on a large backlog of presold housing, and downward pressure is building on house prices (so far limited by home price floors). The authorities have responded with additional monetary and fiscal policy easing, new vaccination targets for the elderly, and steps to support the completion of unfinished real estate projects. However, consumer and business sentiment remained subdued in late 2022. China’s slowdown has reduced global trade growth and international commodity prices.

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### Headline and Core Inflation

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Source: IMF, World Economic Outlook January 2023

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### Policy Priorities

- **Securing global disinflation:** For most economies, the priority remains achieving a sustained reduction in inflation toward target levels. Raising real policy rates and keeping them above their neutral levels until underlying inflation is clearly declining would ward off risks of inflation expectations de-anchoring. Clear central bank communication and appropriate reactions to shifts in the data will help keep inflation expectations anchored and lessen wage and price pressures. Central banks’ balance sheets will need to be unwound carefully, amid market liquidity risks. Gradual and steady fiscal tightening would contribute to cooling demand and limit the burden on monetary policy in the fight against inflation. In countries where output remains below potential and inflation is in check, maintaining monetary and fiscal accommodation may be appropriate.
- **Containing the re-emergence of COVID-19:** Addressing the ongoing pandemic requires coordinated efforts to boost vaccination and medicine access in countries where coverage remains low as well as the deployment of pandemic preparedness measures—including a global push toward sequencing and sharing data. In China, focusing vaccination efforts on vulnerable groups and maintaining sufficiently high coverage of boosters and antiviral medicines would minimize the risks of severe health outcomes and safeguard the recovery, with favorable cross-border spill overs.

- **Ensuring financial stability:** Depending on country circumstances, macro prudential tools can be used to tackle pockets of elevated financial sector vulnerabilities. Monitoring housing sector developments and conducting stress tests in economies where house prices have increased significantly over the past few years are warranted. In China, central government action to resolve the property crisis and reduce the risk of spill overs to financial stability and growth is a priority, including by strengthening temporary mechanisms to protect presale homebuyers from the risk of non-delivery and by restructuring troubled developers.
- **Restoring debt sustainability:** Lower growth and higher borrowing costs have raised public debt ratios in several economies. Where debt is unsustainable, implementing restructuring or reprofiling early on as part of a package of reforms (including fiscal consolidation and growth-enhancing supply-side reforms) can avert the need for more disruptive adjustment later.
- **Supporting the vulnerable:** The surge in global energy and food prices triggered a cost-of-living crisis. Governments acted swiftly with support to households and firms, which helped cushion effects on growth and at times limited the pass through from energy prices to headline inflation through price controls. The temporary and broad-based measures are becoming increasingly costly and should be withdrawn and replaced by targeted approaches. Preserving the energy price signal will encourage a reduction in energy consumption and limit the risks of shortages.
- **Reinforcing supply:** Supply-side policies could address the key structural factors impeding growth— including market power, rent seeking, rigid regulation and planning, and inefficient education—and could help build resilience, reduce bottlenecks, and alleviate price pressures. A concerted push for investment along the supply chain of green energy technologies would bolster energy security and help advance progress on the green transition.
- **Strengthening multilateral cooperation:** Urgent action is needed to limit the risks stemming from geopolitical fragmentation and to ensure cooperation on fundamental areas of common interest.
- **Restraining the pandemic:** Global coordination is needed to resolve bottlenecks in the global distribution of vaccines and treatments. Public support for the development of new vaccine technologies and the design of systematic responses to future epidemics also remains essential.
- **Addressing debt distress:** Progress has been made for countries that requested debt treatment under the Group of Twenty’s Common Framework initiative, and more will be needed to strengthen it. It is also necessary to agree on mechanisms to resolve debt in a broader set of economies, including middle-income countries that are not eligible under the Common Framework. Non– Paris Club and private creditors have a crucial role to play in ensuring coordinated, effective, and timely debt resolution processes.
- **Strengthening global trade:** Strengthening the global trading system would address risks associated with trade fragmentation. This can be achieved by rolling back restrictions on food exports and other essential items such as medicine, upgrading World Trade Organization (WTO) rules in critical areas such as agricultural and industrial subsidies, concluding, and implementing new WTO-based agreements, and fully restoring the WTO dispute settlement system.
- **Using the global financial safety net:** With the cascading of shocks to the global economy, using the global financial safety net to its fullest extent is appropriate, including by proactively utilizing the IMF’s precautionary financial arrangements and channeling aid from the international community to low-income countries facing shocks.

## **INDIAN ECONOMIC OVERVIEW**

According to IBEF, strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022–23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India’s recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. Rising employment and substantially 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 rationalization 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, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent up demand over the period of April-September 2022. 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.

### **Indian Economy Market Size**

According to IBEF India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.

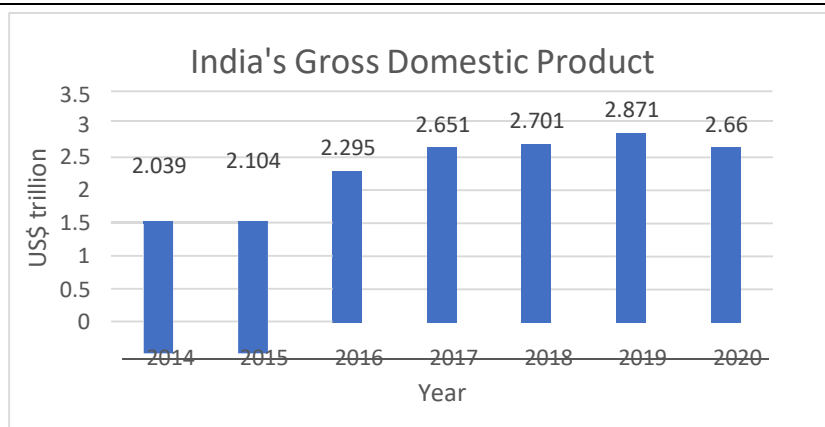
According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.

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 Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

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### **India's Gross Domestic Product**

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*Source: IBEF*

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### **Road Ahead**

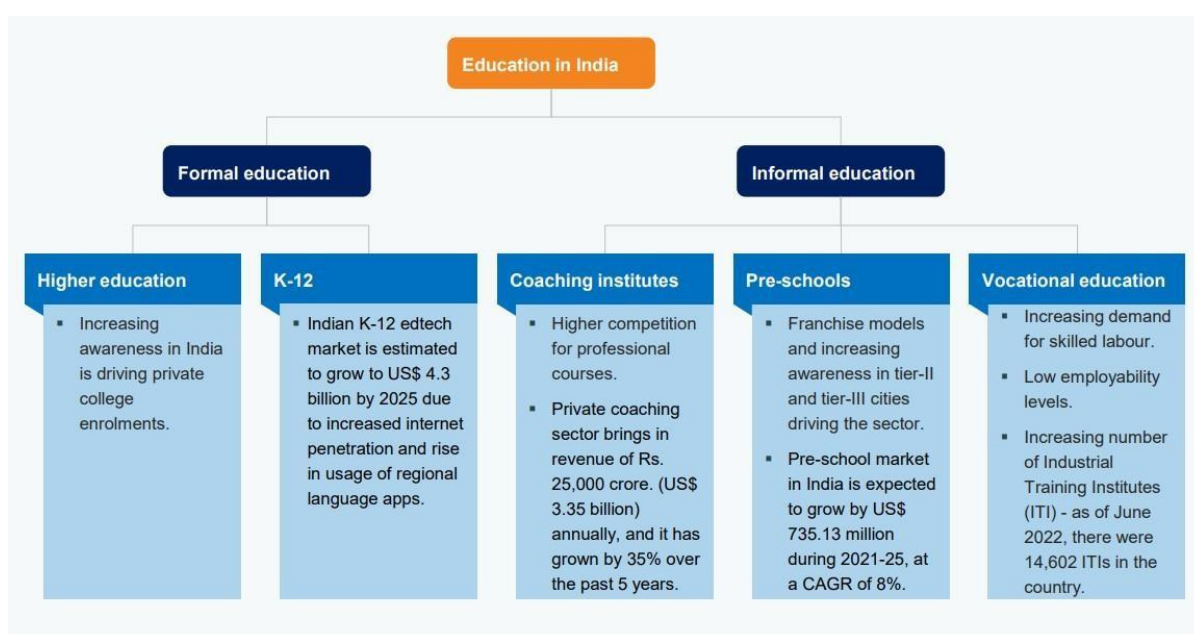
In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

According to IBEF, 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 FY 2022-23 (until August 2022), stood 46.8% higher than the same

period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 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.

**INDIAN EDUCATION SECTOR**



Education is fundamental for achieving full human potential, developing an equitable and just society, and promoting national development. Providing universal access to quality education is the key to India’s continued ascent, and leadership on the global stage in terms of economic growth, social justice and equality, scientific advancement, national integration, and cultural preservation. Universal high-quality education is the best way forward for developing and maximizing our country's rich talents and resources for the good of the individual, the society, the country, and the world.

India holds an important place in the global education industry. According to IBEF, EDUCATION SECTOR IN INDIA INDUSTRY REPORT, February 2023, the country has more than 1.5 million schools with over 260 million students enrolled and about 1,072 universities and 43796 colleges. India has one of the largest higher education systems in the world. However, there is still a lot of potential for further development in the education system. The Indian edtech market size is expected to reach US\$ 30 billion by 2031, from US\$ 700-800 million in 2021. According to KPMG, India has also become the second largest market for E-learning after the US.

The online education market in India is expected to grow by US\$ 2.28 billion during 2021-2025, growing at a CAGR of almost 20%. The market grew by 19.02% in India in 2021.

### Market Size

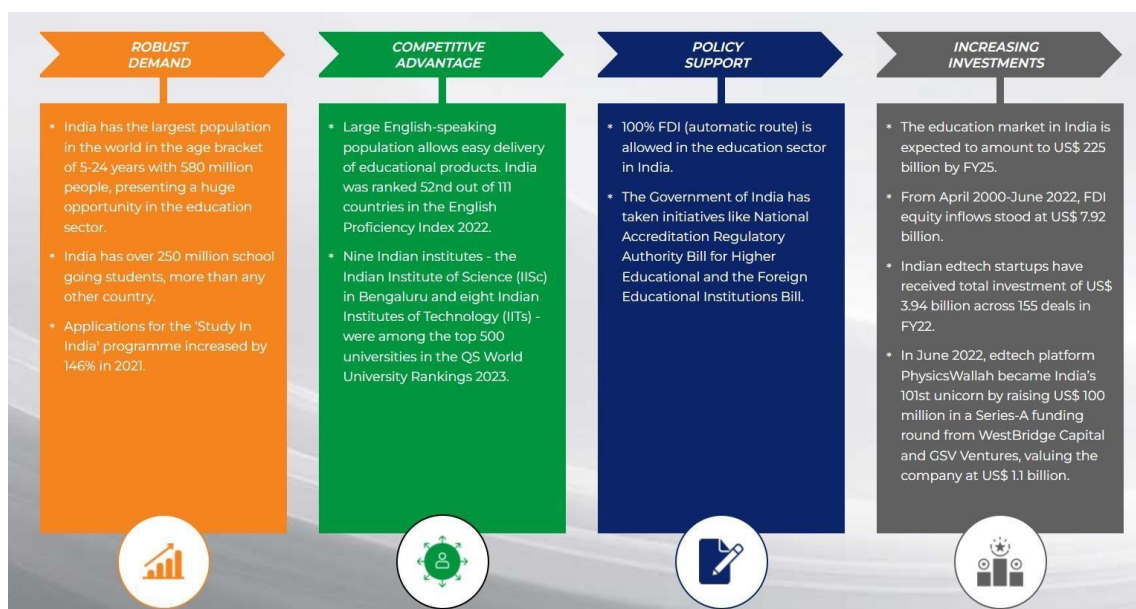
According to IBEF, the education market in India is currently valued at US\$ 117 billion and is expected to nearly double to US\$ 225 billion by 2025. Currently, the school segment contributes 52 per cent to the education market in India, higher education contributes 15 per cent of the market size, text-book, e-learning and allied services contribute 28 per cent and vocational education in manufacturing and services contributes 5 per cent. Higher education system in India has undergone rapid expansion. Currently, India 's higher education system is the second largest in the world enrolling over 70 million students while in less than two decades, India has managed to create additional capacity for over 40 million students.

India will have the highest population of young people in the world over the next decade, and our ability to provide high-quality educational opportunities to them will determine the future of our country.

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### Education Development in India

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Source: IBEF

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### Digital Education Industry

Online education is learning that takes place over the Internet and may be defined as electronically supported learning that is based on the Internet for teacher-student interactions and the distribution of class materials. Online education in India offers a variety of course categories, including curriculum-based coaching, test preparatory coaching, higher education degree courses, reskilling and skill enhancement programs, and language and casual learning. Before the pandemic, online education was mostly preferred by non-traditional students – students who were working fulltime or raising families, though it was gaining popularity due to wider access to internet and lack of quality coaching centres in Tier-2/ Tier-3 cities.





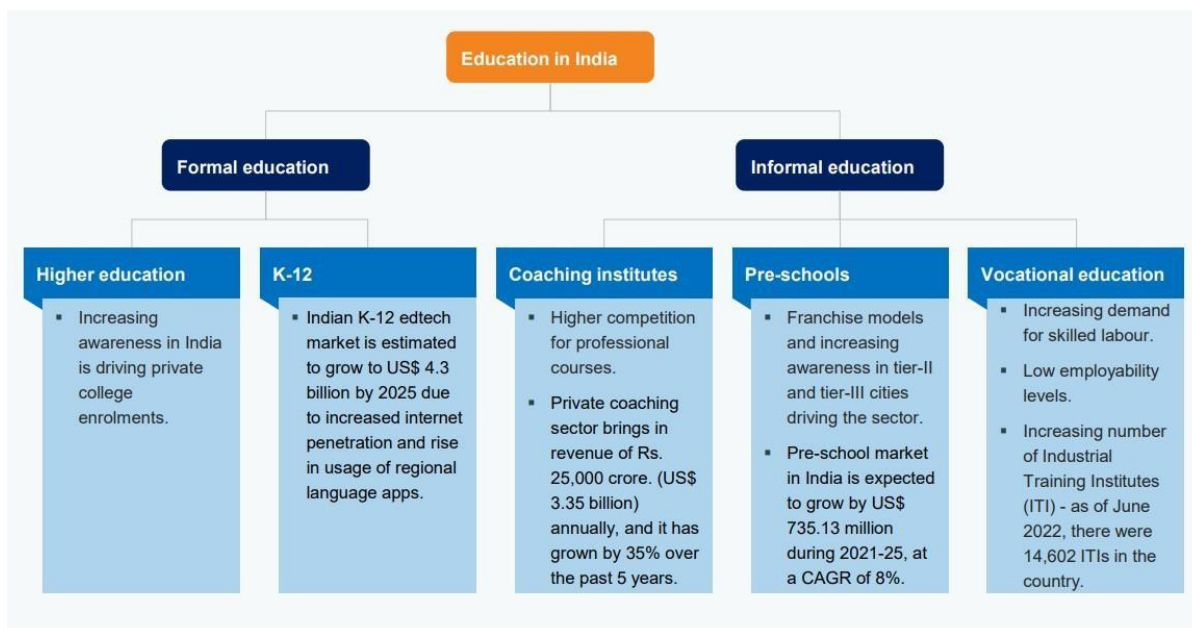
### *Market size of digital education industry in India*

The digital education industry comprises companies providing multimedia content and digital hardware to aid teaching in private and Government schools, colleges, and training centres, and for personal usage as well as for corporates.

India is one of the leading countries in the online education sector. The Indian online education market is set to witness tremendous growth in the coming years. According to KPMG, India has become the second largest market for e-learning after the US. The market is poised to grow by USD 2.28 billion from 2022 to 2026 at a CAGR of 19.50%. By providing affordable and cutting-edge online education solutions to developed and developing countries, Indian growth will see a further increase.

### *Growth Drivers of Online Education*

- **Low-cost initiative:** Online skill enhancement courses are more affordable than offline alternatives for many families, especially since most of them are freely available. Many prestigious universities and institutes such as Harvard University, Berkeley University of California, and Boston University facilitate online courses on numerous subjects. These courses are usually available on Massive Online Open Courses (MOOCS) which can be bought for free or with a minor fee.
- **Offers quality education:** The enrolments for open courses and distance learning in India are expected to increase to around 10 million by 2021 according to Net scribes. Areas that lack adequate options to pursue traditional education, witness higher adoption of online courses. States such as Bihar, Kerala, and Jammu and Kashmir account for 0.4mn distance learning enrolments.
- **Government initiatives:** Government initiatives such as SWAYAM, E-Basta, Rashtriya Madhyamik Shiksha Abhiyan (RMSA), Skill India and Digital India will make way for the infrastructure needed by students to study online. The government is also working on a National Open University for the dissemination of education to the masses. Apart from this, it is actively promoting digitization of education and ease of internet access.
- **Increasing internet penetration:** Currently, 409 million Indians have access to the internet but its steady growth, especially in semi-urban and rural areas, provides high potential for the proliferation of online education. Net scribes estimates nearly 735 million internet users in India by 2021. This internet penetration will enable reach and increase traffic for online education players.
- **Increase in disposable income and a large fraction of the young population:** Growing disposable income is egging the young population to enhance their skills for higher career and salary growth. Employment opportunities globally are tightening their qualifications, resulting in intense competition. This makes the young population with high aspirations but lower income, a good target market for online education. Further, the acceptability of online channels is also higher in the younger demographic.



## FINANCIAL LITERACY

- The ability to read and write, and perform basic operations with numbers, is a necessary foundation and an indispensable prerequisite for all future schooling and lifelong learning. However, various governmental, as well as non-governmental surveys, indicate that we are currently in a learning crisis: a large proportion of students currently in elementary school - estimated to be over 5 crores in number - have not attained foundational literacy and numeracy, i.e., the ability to read and comprehend basic text and the ability to carry out basic addition and subtraction with Indian numerals.
- Attaining foundational literacy and numeracy for all children will thus become an urgent national mission, with immediate measures to be taken on many fronts and with clear goals that will be attained in the short term (including that every student will attain foundational literacy and numeracy by Grade 3). The highest priority of the education system will be to achieve universal foundational literacy and numeracy in primary school by 2025. The rest of this Policy will become relevant for our students only if this most basic learning requirement (i.e., reading, writing, and arithmetic at the foundational level) is first achieved. To this end, a National Mission on Foundational Literacy and Numeracy will be set up by the Ministry of Human Resource Development (MHRD) on priority. Accordingly, all State/UT governments will immediately prepare an implementation plan for attaining universal foundational literacy and numeracy in all primary schools, identifying stage-wise targets and goals to be achieved by 2025, and closely tracking and monitoring progress of the same.
- First, teacher vacancies will be filled at the earliest, in a time-bound manner - especially in disadvantaged areas and areas with large pupil-to-teacher ratios or high rates of illiteracy. Special attention will be given to employing local teachers or those with familiarity with local languages. A pupil-teacher ratio (PTR) of under 30:1 will be ensured at the level of each school; areas having large numbers of socio-economically disadvantaged students will aim for a PTR of under 25:1. Teachers will be trained, encouraged, and supported - with continuous professional development - to impart foundational literacy and numeracy.
- On the curricular side, there will be an increased focus on foundational literacy and numeracy - and generally, on reading, writing, speaking, counting, arithmetic, and mathematical thinking - throughout the preparatory and middle school curriculum, with a robust system of continuous formative/adaptive assessment to track and thereby individualize and ensure each student's learning. Specific hours daily - and regular events over the year-on activities involving these subjects will be dedicated to encourage and enthuse students. Teacher education and the early grade curriculum will be redesigned to have a renewed emphasis on foundational literacy and numeracy.
- Currently, with the lack of universal access to ECCE, a large proportion of children already fall behind within the first few weeks of Grade 1. Thus, to ensure that all students are school ready, an interim 3-month play-based 'school preparation module' for all Grade 1 students, consisting of activities and workbooks around the learning of alphabets, sounds, words, colours, shapes, and numbers, and involving collaborations with peers and parents, will be developed by NCERT and



SCERTs.

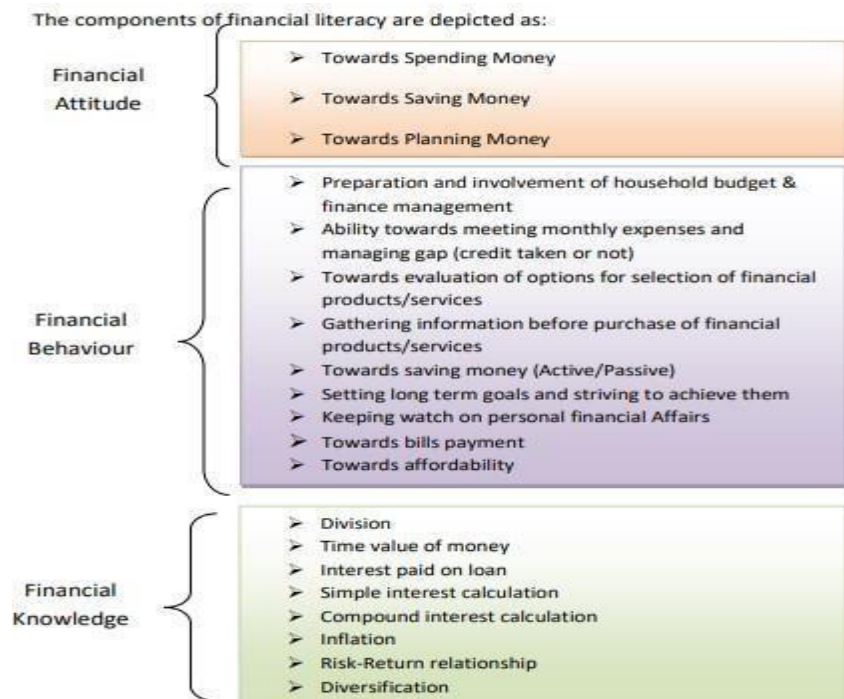
- A national repository of high-quality resources on foundational literacy and numeracy will be made available on the Digital Infrastructure for Knowledge Sharing (DIKSHA). Technological interventions to serve as aids to teachers and to help bridge any language barriers that may exist between teachers and students, will be piloted and implemented
- Due to the scale of the current learning crisis, all viable methods will be explored to support teachers in the mission of attaining universal foundational literacy and numeracy. Studies around the world show one-on-one peer tutoring to be extremely effective for learning not just for the learner, but also for the tutor. Thus, peer tutoring can be taken up as a voluntary and joyful activity for fellow students under the supervision of trained teachers and by taking due care of safety aspects. Additionally, it will also be made far easier for trained volunteers - from both the local community and beyond - to participate in this large-scale mission. Every literate member of the community could commit to teaching one student/person how to read, it would change the country's landscape very quickly. States may consider establishing innovative models to foster such peer-tutoring and volunteer activities, as well as launch other programmes to support learners, in this nationwide mission to promote foundational literacy and numeracy.
- Enjoyable and inspirational books for students at all levels will be developed, including through high-quality translation (technology assisted as needed) in all local and Indian languages, and will be made available extensively in both school and local public libraries. Public and school libraries will be significantly expanded to build a culture of reading across the country. Digital libraries will also be established. School libraries will be set up - particularly in villages - to serve the community during non-school hours, and book clubs may meet in public/school libraries to further facilitate and promote widespread reading. A National Book Promotion Policy will be formulated, and extensive initiatives will be undertaken to ensure the availability, accessibility, quality, and readership of books across geographies, languages, levels, and genres.
- Children are unable to learn optimally when they are undernourished or unwell. Hence, the nutrition and health (including mental health) of children will be addressed, through healthy meals and the introduction of well-trained social workers, counsellors, and community involvement into the schooling system. Furthermore, research shows that the morning hours after a nutritious breakfast can be particularly productive for the study of cognitively more demanding subjects and hence these hours may be leveraged by providing a simple but energizing breakfast in addition to midday meals. In locations where hot meals are not possible, a simple but nutritious meal, e.g., groundnuts/chana mixed with jaggery and/or local fruits may be provided. All school children shall undergo regular health check-ups especially for 100% immunization in schools and healthcards will be issued to monitor the same.

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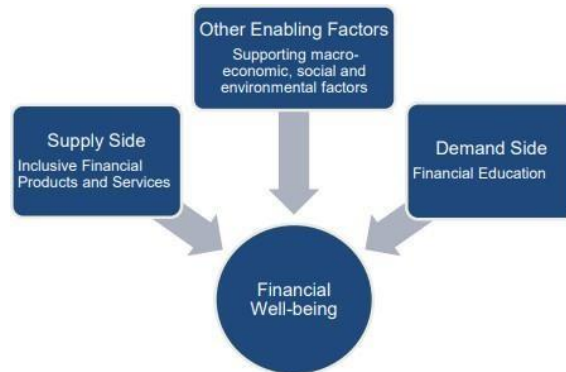
*Source: New Education Policy 2020*

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## **Introduction: Financial Literacy – Prevalence Pattern of Components**



As can be seen, the term Financial Education and Financial Literacy are not the same, these are related concepts. People achieve Financial Literacy through the process of Financial Education. The achievement of Financial Literacy empowers the users to make sound financial decisions which result in financial well-being of the individual.



Financial education plays a vital role in creating demand side response to the initiatives of the supply side interventions. Financial education initiatives by concerned stakeholders will help people achieve financial well-being by accessing appropriate financial products and services through regulated entities. These efforts will be guided by the National Strategy for Financial Education (NSFE). Incidentally, financial education also supports achievement of Sustainable Development Goal

India has made tremendous progress in bringing its citizens into the formal financial system over the last many years. Since India's first NSFE was released in 2013, there have been many developments in the financial inclusion scenario of the country.

### ***Background and Rationale of National Strategy of Financial Education***

India has a large population of adults. This demographic advantage can be leveraged to ensure that India becomes one of the fastest growing economies, with emphasis on inclusive growth through a vibrant and stable financial system. Since a large number of stakeholders, including the Central and State governments, Financial Sector Regulators, financial institutions, civil society, academia, educational institutions in public and private sector and others are involved in spreading financial literacy, a broad National Strategy for Financial Education (NSFE) is a pre-requisite to ensure that they work in tandem and their work is aligned to the overall Strategy on financial education and not at cross purposes. In recent years, it is increasingly being recognized that Nation-wide financial literacy can be achieved only through a multi-stakeholder approach wherein different stakeholders viz. Government, Financial Sector Regulators, Financial Service providers are involved to achieve the objective.

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*Source: NSFE (National Strategy for Financial Education)*

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### ***Importance of Financial Literacy in India***

Financial literacy is one of the biggest assets of any country as it is directly proportional to the economic growth. The significance of financial literacy in India are as follow:

- Development of rural areas: Reaching out to rural sections and working on their development can be achieved through financial literacy. This can be achieved by making people more aware about the available resources and right way of utilizing them.
- Ease in borrowing: Based on an RBI study, 42.9% of population borrowed money from informal sources and pay higher interests. A strong financial education can help small traders make informed decisions and make the best use of available resources.
- Growth of MSMEs: As per IBEF MSMEs contribute to 29% of India's GDP with 50% of the exports coming from this sector. Financial literacy can help small businesses grow and even bring new businesses to the market.

## OUR BUSINESS

### BUSINESS OVERVIEW

*Some of the information in the following section, especially information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” beginning on page 16 for a discussion of the risks and uncertainties related to those statements and the section “Risk Factors” discussion of certain risks that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements.*

*Unless the context otherwise requires, in this section, references to “we”, “us” or “our” refers to our Company. Unless the context otherwise requires, references to our “Company” refers to Sodhani Academy of Fintech Enablers Limited (Formerly known as Sodhani Financial Consultants Limited) on a standalone basis. Unless otherwise stated, or unless the context otherwise requires, the financial information of our Company used in this section has been derived from our Restated Financial Information included in this Draft Prospectus on page 139. We have included various operational and financial performance indicators in this Draft Prospectus, some of which may not be derived from our Financial Information or otherwise subjected to an examination, audit or review or any other services by our Statutory Auditor or any other expert. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions.*

*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 “Risk Factors”, “Industry Overview”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 24, 82, 139 and 166 respectively, as well as financial and other information contained in this Draft Prospectus as a whole.*

#### **Overview**

Our Company was originally incorporated as “Sodhani Financial Consultants Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 03, 2009 issued by the Registrar of Companies, Rajasthan, Jaipur. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to “Sodhani Financial Consultants Limited” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on March 09, 2023. The fresh certificate of incorporation dated April 10, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur.

Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on May 01, 2023, the name of our Company was changed from “Sodhani Financial Consultants Limited” to “Sodhani Academy of Fintech Enablers Limited”. The fresh certificate of incorporation dated May 15, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur bearing CIN U67120RJ2009PLC028237

Our company is engaged in the business of providing training, consultancy and learning services. Our focus area of service delivery has been under the domain of financial literacy and awareness. Financial literacy and awareness domain broadly refers to the knowledge and understanding of various financial concepts and skills that enable learners to make informed and responsible decisions regarding financial matters. It encompasses the ability to manage money effectively, budget wisely, save and invest prudently, and comprehend basic financial products and services. We believe a strong foundation in financial literacy empowers learners to navigate the complexities of the financial world, make sound financial choices, and plan for their future financial well-being. Our training, consultancy and learning services have majorly been focused in the areas of financial planning, fundamental analysis, technical analysis, basics of stock market and retirement planning. We identified the opportunity in the business domain of training, consultancy and learning around the end of year 2020. Accordingly we initiated the development of content, trainers and supportive delivery infrastructure. The year 2021 was largely the initial year of operation in the domain of training and learning solutions under financial literacy, hence the revenues were at nascent stage. With the onset of covid pandemic, we witnessed an accelerated acceptance for online delivery/sessions among the learner. It was around this period that the market for our services was also encouraging, with learners keen to upgrade their knowledge in the domain of financial literacy. From the financial year 2020-21 onwards, we dedicatedly grew our learner reach outs and deliveries. We also developed our pool of in house & guest trainers and delivery infrastructure. With our delivery infrastructure being well established we further scaled in the subsequent years. Resultantly, we saw gradual uptick

in our deliver sessions and participants enrolling for our sessions.

Our learners base comprises of various categories of participants such as students (both pursuing active education and qualified candidates) graduates (collectively being referred as "Students"), individuals who are presently not working and homemakers, (collectively being referred as "Learners") through our courses, seminars, sessions and material in the area of financial literacy and awareness. We aim at transforming theory into hands-on practice for learners to achieve adequate and sustainable financial learning.

**Our Location**

**Our registered office:** The registered office of our company is situated at P No. C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021, Rajasthan, India.

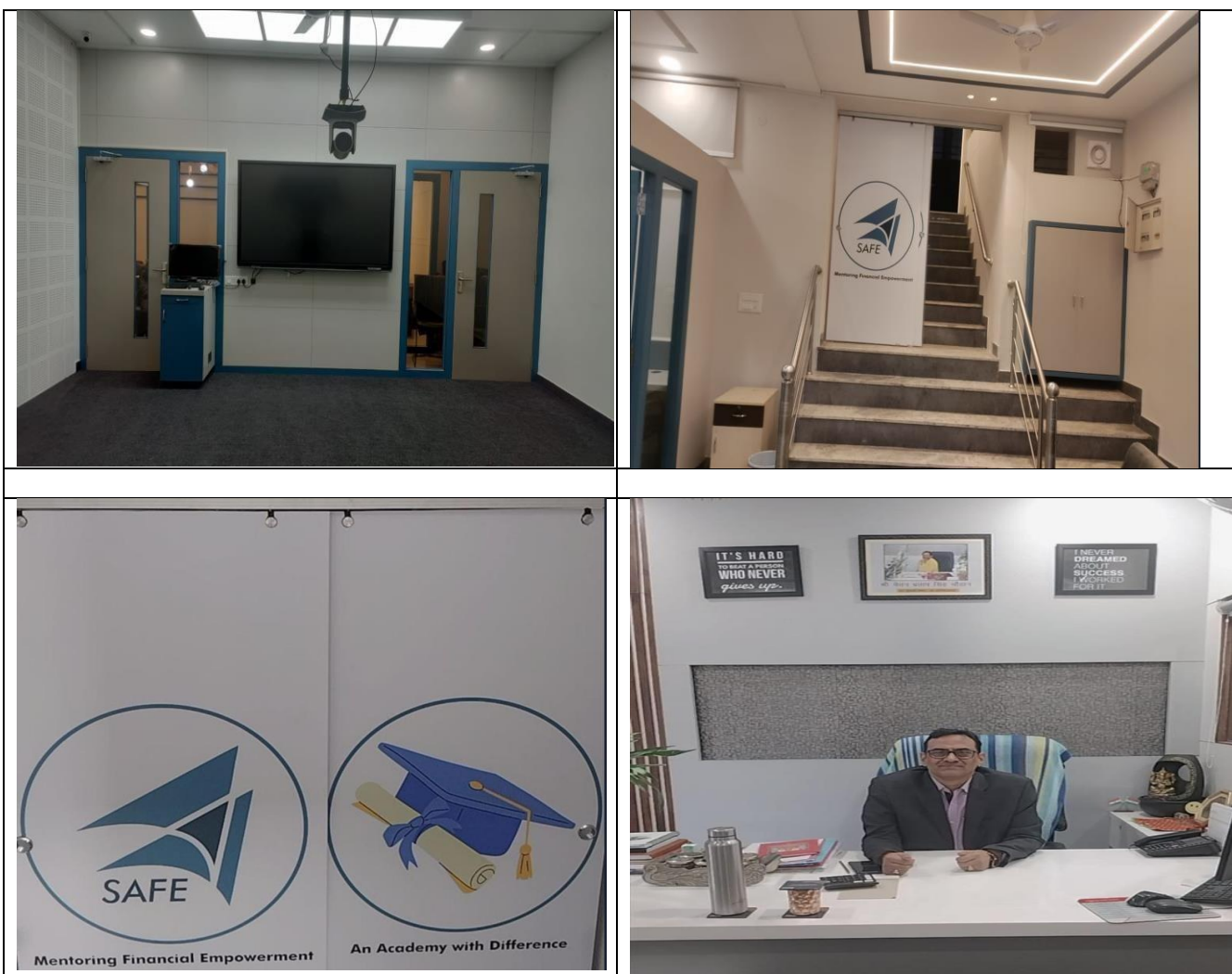
**Our existing content studio and offline training centre:** Basement, P No. C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021, Rajasthan, India.

Our content studio and offline training centre is equipped with following features:

| Particulars        | Details   |
|--------------------|---|
| Dimensions         | 1200 sq.ft  |
| Seating space      | Students: 35 seats<br>Staff :10 seats<br>Receptionist and waiting area: 1<br>Admin cabin: 1 |
| IT infrastructure* | Interactive Panel System  |

\*IT infrastructure is under further deployment.





**Key Performance Indicators of our Company:**

**(₹ in Lakhs)**

| Particulars   | As of and for the Eight-month period ended November 30, 2023* | Fiscal 2023 | Fiscal 2022 | Fiscal 2021 |
|---|---|-------------|-------------|-------------|
| Revenue from Operations   | 92.56   | 137.58      | 185.89      | 15.14       |
| EBITDA <sup>(1)</sup>   | 110.94  | 175.44      | 173.41      | 25.00       |
| EBITDA Margin (%) <sup>(2)</sup>                                | 119.85%   | 127.52%     | 93.29%      | 165.10%     |
| Restated profit for the period / year                           | 86.33   | 138.60      | 123.91      | 3.08        |
| Restated profit for the period / year Margin (%) <sup>(3)</sup> | 93.26%  | 100.74%     | 66.66%      | 20.35%      |
| Return on Average Equity ("RoAE") (%) <sup>(4)</sup>            | 16.60%  | 34.01%      | 62.02%      | 5.15%       |
| Return on Capital Employed ("RoCE") (%) <sup>(5)</sup>          | 19.70%  | 36.79%      | 51.27%      | 40.75%      |
| Net Debt / EBITDA Ratio   | -   | 0.02        | 0.02        | 0.02        |

Notes:

- <sup>(1)</sup> EBITDA is calculated as restated profit for the period / year plus tax expense plus depreciation and amortization plus finance costs plus exceptional items.
- <sup>(2)</sup> EBITDA Margin is calculated as EBITDA divided by revenue from operations excluding other Income.
- <sup>(3)</sup> Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations excluding other Income
- <sup>(4)</sup> RoAE is calculated as Net profit after tax divided by Average Equity.
- <sup>(5)</sup> RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed.

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 section “Objects of the Offer”, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations as amended from time to time.

#### **Explanation for the Key Performance Indicators**

**Revenue from operations:** Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.

**EBITDA:** EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company.

**EBITDA margin:** EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortization, and taxes.

**Restated profit for the period / year:** Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during the a given period. It provides information regarding the profitability of the business of our Company.

**Restated profit for the period / year margin:** Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.

**Return on Average Equity (“RoAE”):** RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.

**Return on Capital Employed (“RoCE”):** RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoCE is indicative of the profit generation by our Company against the capital employed.

**Net Debt/ EBITDA:** Net Debt to EBITDA is a measurement of leverage, calculated as a company's borrowings minus cash or cash equivalents, divided by its EBITDA. It shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

#### **Our Mission**

To offer learning solutions which would enable inclusive growth of our learners and helps them to achieve financial literacy through right mix of education and practical learning.



According to various studies conducted by GFLEC (Global Financial Literacy Excellence Center), surveys and journals published on the subject of financial literacy, which is primarily measured on public awareness on four parameters; namely numeracy, risk management, inflation and compound interest, India has a dismal record. Some of the key findings of the survey related to India as published in international journal (IJIRMF 202010038) are: a) Only 14% of Indian adults save at a formal institution resulting in lesser participation in banking system b)73% of male and 80% of women are not financially literate c) Lack of understanding among Indians about the basic principles of money and household finance.

**Importance of Financial Literacy:** The level of financial literacy and per- capita income of a nation is directly correlated and therefore there is an urgent need to address the issue of eradication of financial illiteracy if India is perceived to sustain its growth and become third largest economy.

Going forward, our Company plans to create learning methodologies that would enable inclusive growth of all learners to achieve financial literacy through adequate mix of education and practical learning. For this purpose, we intend to provide long-term and short-term courses across various domains under financial literacy umbrella. There are various domains in the area of financial awareness and literacy under which various programs and courses can be offered to equip individuals with the knowledge and skills necessary to make informed financial decisions.

We believe following main avenues would drive our future learning and training solutions:

1. **Personal Finance:** Personal finance courses provide a comprehensive overview of financial management. They cover topics such as budgeting, saving, investing, debt management, and retirement planning. These courses help learners develop a solid foundation in managing their personal finances effectively.
2. **Investment and Portfolio Management:** These courses delve into the world of investments, teaching participants about different investment vehicles, risk management, asset allocation, and portfolio diversification. They provide insights into analyzing financial markets and making sound investment decisions.
3. **Basic Financial Planning:** Financial planning courses focus on developing a holistic approach to financial well-being. Participants learn how to set financial goals, create budgets, manage taxes, plan for major life events, and protect their assets through insurance. These courses emphasize long-term financial planning and wealth accumulation strategies. We wish to ingrain saving habits amongst masses where they are able to identify and assess their future needs and corresponding avenues available in the form of investible instruments. These course are meant to enable people to plan for their future financial needs and follow a disciplined approach to achieve their financial goals.
4. **Basic Banking and Financial Services knowledge:** These courses provide an understanding of various financial institutions, banking products, and services. Participants learn about banking operations, loans, credit cards, mortgages, and other financial tools. They also explore the role of banks in the economy and how to effectively manage banking relationships. These courses are aimed at developing base for banking and financial services such as Mutual Fund Industry.
5. **Financial Literacy for Youth and Women:** There are specialized courses aimed at promoting financial literacy among youth and women participants. These programs teach essential financial skills, such as budgeting, saving, and responsible spending. They aim to cultivate healthy financial habits.
6. **Corporate Training:** Corporate training enhances employee skills and knowledge, boosting productivity and job satisfaction. It covers various areas like leadership, communication, teamwork, customer service, and technical skills. Through workshops, seminars, and online modules, it equips employees to meet job demands and contribute to organizational success. It fosters professional development and career growth. The past experience has highlighted the gap between proper training and actual requirement for working professionals involved in Financial Sector, especially in Mutual Fund Industry and Insurance Sector. We aim at bridging this gap by imparting training to corporate professionals for improving the efficiency and performance.
7. **SIP Education & Awareness:** This category courses are aimed at creating awareness regarding SIP investments and Building of wealth creation through investments in mutual funds. We believe that investment planning and wealth creation through SIP route is a suitable option for investors looking to plan savings in a systematic way. Investments planning through SIP route cultivates habit of saving and investing regularly.



## OUR BUSINESS MODEL COURSE DELIVERY METHODOLOGY

Our business model-course delivery methodology can be broadly classified under following categories:

1. **Online Live Sessions:** This mode of learning involves live sessions providing accessibility to self-paced learning. The learners can access comprehensive study material.
2. **Mobile application and Lectures on our website:** Our company is also planning to develop a mobile application to enable the delivery of our courses on financial literacy and awareness. The application will provide the recorded lectures prepared by our content team. Courses are also uploaded on website ([www.safefintech.in](http://www.safefintech.in)) and plan to update more of these financial literacy courses in which learners can register by paying fees and take up the course to enhance their skills. For further details to the object of mobile application development please refer to the chapter titled “Objects of the Offer” On page no 65 of this Draft Prospectus.
3. **Themed sessions and seminars:** We conduct themed sessions and seminars with an objective of creating financial literacy and investment planning among participants willing to gain knowledge in these fields. The session and seminars are conducted by subject trainers having expertise in the respective domains. Typically, these seminars and sessions are mass events aimed at creating mass level awareness. We conduct sessions and seminars at various platforms such as Zoom, Google meet etc. We also distribute study materials and course contents in different specifications in session and seminars.

## OUR PRESENT REVENUE MODEL:

Our revenue model is based on fees received for imparting deliveries in the domain of financial literacy. The nature and quantum of fees will vary as per the delivery platform. A brief synopsis can be summarized as follows:

| Type of delivery                                     | Nature of revenue receipt         | Average range of fees per participant/session (in Rs) |
|--|-----------------------------------|---|
| Webinars   | Registration fees per participant | 450-5,000   |
| Short Duration Courses (Duration less than 3 months) | Course fees per participant       | 5,000-15,000  |
| Long Duration Courses (Duration more than 3 months)  | Course fees per participant       | 20,000-75,000   |
| Corporate Training Sessions                          | Lump sum or per participant fees  | 2,00,000-5,00,000                                     |

## OUR EXISTING OFFERINGS AND TRAINING MODULES AT A GLANCE:

| Sr.No | Name  | Target Audience                               | Mode of Delivery                   |
|-------|---|---|------------------------------------|
| 1.    | How to Grow your SIP - Basic Course                                 | Working Professionals of Mutual fund industry | Online – Live (Registration Based) |
| 2.    | Basic Course on Share Market Chart Reading and Technical Analysis   | Financial service learners                    | Recorded self-paced learning       |
| 3.    | Crash course for stock market Beginners                             | Financial service learners                    | Recorded self-paced learning       |
| 4.    | Basic Course on Options Trading                                     | Financial service learners                    | Online – Live (Registration Based) |
| 5.    | Grah Laxmi - Financial Awareness for Home makers                    | Women learners                                | Online – Live (Registration Based) |
| 6.    | Building Second Income for Young Professionals Through Mutual Funds | Young professionals                           | Online – Live (Registration Based) |
| 7.    | Retirement Planning   | All learners                                  | Online – Live (Registration Based) |

|    |   |                            |   |
|----|---|----------------------------|---|
| 8. | Advance Course on Technical Analysis              | Financial service learners | <b>Online – Live<br/>(Registration Based)</b> |
| 9. | Achieving Financial Independence by the Age of 40 | All learners               | <b>Online – Live<br/>(Registration Based)</b> |

#### AN OVERVIEW OF OUR COURSE CONTENT PORTFOLIO:

| Name of Course  | Content type      | Content depth  |
|---|-------------------|--|
| How to Grow your SIP Basic Course                                   | PowerPoint Slides | Concept slide- 26<br>Concept Application- 9<br>1. Need Based selling<br>2. Goal Finder exercise<br>3. Implementation Techniques  |
| Basic Course on Share Market Chart Reading and Technical Analysis   | PowerPoint Slides | Concept slide- 58<br>Concept Application- 27<br>Topics Covered<br>1. Various Chart Types & Market Psychology<br>2. Candlesticks & Its Psychology<br>3. Basic Indicator Construction<br>4. Using TA for Effective Trading & Handholding |
| Crash Course for Stock Market Beginners                             | PowerPoint Slides | Concept slide- 60<br>Concept<br>Topics Covered<br>1. Basics of Financial Market<br>2. Self-Evaluating exercise<br>3. Long Term Investment strategies   |
| Basic Course on Options Trading                                     | PowerPoint Slides | Concept slide- 58<br>Concept Application- 13<br>Topics Covered<br>1. Basics of Options<br>2. Payoffs<br>3. Risk & Reward<br>4. Concept of Hedging<br>5. Using TA for Option Trading<br>6. Handholding                                  |
| Grah Laxmi - Financial Awareness for Home Makers                    | PowerPoint Slides | Concept slide- 82<br>Concept<br>Topics Covered<br>1. Basics of Money Flow<br>2. Saving Avenues<br>3. How to invest systematically<br>4. Basic Banking Transactions   |
| Building Second Income for Young Professionals Through Mutual Funds | PowerPoint Slides | Concept slide- 82<br>Concept Application- 9<br>1. Goal seeking<br>2. Art of long term investing<br>3. Selection of matching MF schemes to meet your goals<br>4. Implementation   |
| Retirement Planning   | PowerPoint Slides | Concept slide- 42<br>Concept Application- 9<br>1. Understanding future requirements  |

|  |                   |   |
|--|-------------------|---|
|  |                   | <ol style="list-style-type: none"> <li>2. Calculations for Savings to meet future requirements</li> <li>3. Saving Avenues</li> </ol>  |
| Advance Course on Technical Analysis               | PowerPoint Slides | Concept slide- 112<br>Concept Application- 9 <ol style="list-style-type: none"> <li>1. Advanced Candlestick pattern</li> <li>2. Advanced Indicators e.g Ichimoku etc.</li> <li>3. Market Profile</li> <li>4. Elliot Wave &amp; Wave Analysis</li> </ol> |
| Achieving Financial Independence by the Age of 40. | PowerPoint Slides | Concept slide- 92<br>Concept Application- 9 <ol style="list-style-type: none"> <li>1. Basics if Financial Planning</li> <li>2. Individual Financial Planning- Diagnostics &amp; Solution</li> <li>3. Risk Management</li> </ol>                         |

**A BRIEF SUMMARY OF SESSIONS AND TRAINING PROGRAMMES DELIVERED OVER THE LAST YEARS:**

| Sr No               | Category   | Nos.       | Total number of participants who attended | Average fees per participant (in Rs.) | Amount (in Rs)     |
|---------------------|--|------------|---|---------------------------------------|--------------------|
| <b>Year 2021-22</b> |  |            |   |                                       |                    |
| 1                   | One day Webinar                                      | 25         | 196                                       | 750.00                                | 1,47,750           |
| 2                   | Two day Webinar                                      | 38         | 163                                       | 1700.00                               | 2,80,367           |
| 3                   | Three day Webinar                                    | 42         | 332                                       | 4150.00                               | 13,79,231          |
| 4                   | Short Duration Courses (Duration less than 3 months) | 6          | 552                                       | 12000.00                              | 67,38,740          |
| 5                   | Long Duration Courses (Duration more than 3 months)  | 6          | 55  | 43,400                                | 23,89,092          |
| 6                   | Corporate Training Sessions                          | 4          | -   | -                                     | 5,68,760           |
|                     | <b>Total</b>   | <b>121</b> | <b>1298</b>                               |                                       | <b>1,15,03,940</b> |

| Sr No               | Category  | Nos.      | Total number of participants who attended | Average fees per participant (in Rs.) | Amount (in Rs)     |
|---------------------|---|-----------|---|---------------------------------------|--------------------|
| <b>Year 2022-23</b> |   |           |   |                                       |                    |
| 1                   | Webinars (Consolidated)                             | 5         | -   | -                                     | 5,00,000           |
| 2                   | Short Duration Courses                              | 5         | 411                                       | 7100.00                               | 29,18,900          |
| 3                   | Long Duration Courses (Duration more than 3 months) | 9         | 280                                       | 21800.00                              | 61,30,800          |
| 4                   | Corporate Training Sessions                         | 4         | -   | -                                     | 67,17,750          |
|                     | <b>Total</b>  | <b>23</b> | <b>691</b>                                |                                       | <b>1,62,67,117</b> |

## OUR KEY TEAM MEMBERS AND TRAINERS

Our trainers play a crucial role in our offerings in the domain of financial literacy and awareness. They serve as experts who impart knowledge, skills, and guidance to learners. As on the date of this offer document, our company has a qualified and capable team of following trainers:

| Name                        | Designation                            | Qualification                         | Course Offering/ Area of Expertise   | Years of Experience |
|-----------------------------|--|---------------------------------------|--|---------------------|
| Mr. Rajesh Kumar Sodhani    | Managing Director & Senior Trainer     | MBA, SEBI Registered Research Analyst | Financial Planning & Share market trading and Fundamental Analysis for Equity Market Professionals | 32                  |
| Mr. Dhiraj Malhotra         | Professional Director & Senior Trainer | PGDM, CFP, LUTCF, AL MI               | Financial Planning Courses for Mutual Fund and Insurance sector Professionals                      | 29                  |
| Lt Co Sanjay Bhatia (Retd.) | COO & Senior Trainer                   | PGDM, M.Tech, CMT                     | Technical analysis Advance Course for Equity Market Professionals                                  | 12                  |
| Ms. Ritika Sodhani          | Guest Trainer*                         | MBA, BBA                              | Financial Planning for Students and Homemakers   | 6                   |
| Mr. San deep Menghani       | Guest Trainer*                         | PGDM, B.Sc.                           | Financial Planning with Mutual fund and Insurance  | 22                  |
| Mr. Atul J Gaikwad          | Guest Trainer*                         | PGDM, CFP                             | Retirement Planning  | 23                  |
| Mr. Sandipon Purkaystha     | Guest Trainer*                         | PGDM, LUTCF                           | Financial Planning with Mutual fund and Insurance  | 21                  |
| Mr. Pawan Sharma            | Guest Trainer*                         | PGDM, LUTCF                           | Financial Planning with Mutual Fund and Insurance  | 27                  |
| Mr. Sreejith S              | Guest Trainer*                         | BBA, LUTCF                            | Retirement Planning  | 17                  |
| Mr. Vineet Kumar            | Guest Trainer*                         | B.Sc                                  | Retirement Planning  | 27                  |

\* Guest trainers are invited/empanel for specific sessions against session fees. They are not associated/employed with us on full time basis.

## OUR BUSINESS STRENGTHS

### 1. Proven track record of our trainers

Our trainers have a proven track record in the field of financial literacy and awareness, making them highly effective. With extensive knowledge and experience in their respective domain, they effectively deliver the expected standards. Our trainers have successfully conducted numerous workshops, seminars, and training programs aimed at improving financial literacy among diverse audiences.

### 2. Brand Image

We have an established accredited name and reputation for quality under the domain of our operations gaining significant experience and establishing credible track record in the field of financial literacy. We believe that we hold expertise in providing courses and training backed by updated course content and data enable us with significant competitive advantages.

### **3. Technology driven, Asset light and Scalable business model**

Our Company's business model leverages on growing technologies and uses up-to-date technology to deliver the courses, which enables the learners to use up to date course content to engage in the self-paced learning. The courses may also be used as an independent learning through the internet, which offers greater flexibility and convenience to learners, who can access our content anywhere and at any time of the day.

### **4. Focus on Practice and learning**

Our company focuses on practice-oriented method of teaching to impart knowledge to the course takers, which in turn assists them to achieve adequate, sustainable financial freedom. We have in-house trainers and also appoint subject experts as per specific need of delivery, who constantly monitor the progress. Our aim is to provide high-quality training and education to Indian youth and empower them to become financially independent.

### **5. Diversified course offerings**

We provide a wide range of financial literacy learning solutions through our courses including short-term courses, long-term courses, expert courses, up skilling and reskilling courses. At affordable prices and therefore our services give us a competitive edge.

### **6. Pandemic Proof Model**

The COVID-19 pandemic has created unique global and industry-wide challenges, including challenges to our offline learning business model and shifting the offline learning business model to online model. Given the situation of post pandemic, our Company has evolved to shift to a COVID-19 or similar epidemic proof business model and we believe that we have taken all possible steps to align our services to be pandemic proof. The Company's offline and online blended model mitigates the risk of any future disruption.

## **OUR BUSINESS GROWTH STRATEGIES**

### **1. Course Learner Satisfaction**

The main theme of our business is creating financial literacy and awareness aimed at larger benefits to the learners. Our Company provides a rightful blend of training through trainers and relevant course content which ensure that the course learners are satisfied. We believe that with the rise in awareness for financial literacy we shall be successful in our efforts to expand our client base by ensuring quality of customer satisfaction.

### **2. Brand building strategy**

Our business of creating financial literacy and awareness has a large dependency on our credibility and brand value. We prioritize our brand image and will continue building it by providing excellent services that satisfy our learners. In our business domain, learners awareness greatly contributes to market share. Marketing and advertising are crucial for raising awareness, educating potential customers, and driving conversion. Our brand's recognition and reputation among students, professionals, institutions, and corporates will fuel our business growth.

### **3. Develop and expand our course content**

We are an asset-light company, and we plan to develop and expand our content portfolio of courses which will be the key drivers for our business in the future. We also plan to develop our own study material, which will be prepared and curated by highly experienced in-house and third-party trainers/ instructors who have vast experience in such domains. We have a centralized content development process. We will continuously endeavor to develop and update the content to cater to the demand of the courses offered by us.

#### **4. Financial Literacy through IAPs (Investors Awareness Programme)**

We are in the process of getting access to new learners for imparting financial literacy. We are in ongoing discussions for empaneling with academic, social and financial institutes for contractual tie ups.

#### **5. Master class with mutual fund and insurance companies –**

Our company is aiming for empaneling with companies from Mutual fund Industry and Insurance Sector to offer training under Management Developmental Programmes (MDP). These trainings would be aimed at improving productivity and overall growth of the professional from these industries and thereby adding to the growth of the business of the company.

### **HUMAN RESOURCE**

As a company involved in imparting training and awareness initiatives in the field of financial literacy, human resources are an important factor. We consider our human resource as a critical factor to our success and engage in a human resource strategy that focuses on recruiting, training and retaining our employees, as well as offering them competitive compensation. As on date of this offer document we have 3 full time trainers and subject experts and we engage with subject specific trainers on specific theme and sessions. In future, we will meet our human resource need namely the trainers, through a mix of full-time employment and session specific engagement.

As on date of this offer document, we have 12 full-time employees on our payroll and 2 expert trainers under professional engagement model.

Our employees are divided into different functions:

| <b>Function</b>                   | <b>Number</b> | <b>Name of our employees</b>   |
|-----------------------------------|---------------|--|
| Trainers                          | <b>3</b>      | 1. Mr. Rajesh Kumar Sodhani<br>2. Lt Col Sanjay Bhatia(Retd)*<br>3. Mr. Dhiraj Malhotra* |
| Business Development and Strategy | <b>3</b>      | 1. Mr. Dinesh Saboo<br>2. Mr. Anurag Narayanan<br>3. Ms. Harshita Maheshwari             |
| Company Secretary                 | <b>1</b>      | 1. Ms. Monika Agarwal  |
| Accounting and Finance            | <b>3</b>      | 1. Ms. Deepti Maheshwari<br>2. Ms. Kritika Malani<br>3. Ms. Priyanka Aggarwal            |
| Office Admin                      | <b>3</b>      | 1. Mr. Ajay<br>2. Mr. Mohit Khandelwal<br>3. Mr. Vinod Prajapat                          |
| IT and Marketing                  | <b>1</b>      | 1. Mr. Ankit Tinker  |

\* under professional engagement

### **QUALITY CONTROL**

The quality of our business delivery is highly dependent on two factors namely the course content and the trainers. We lay high emphasis on ensuring the quality standards of both the parameters.

### **MARKETING**

We are engaged in marketing and brand building campaigns through various media vehicles, including mix of online marketing through search engines such as Google, YouTube, social media platforms, electronic commercials and print media on increasing the visibility of our brand and, in particular, building and promoting our brands.

### **TECHNOLOGY INFRASTRUCTURE**

Our Company has proposed to develop a content studio and training infrastructure which will be used for creating content, delivering live sessions and imparting offline physical sessions. Apart from this, we believe that we have a robust IT

infrastructure to support our business delivery. We would be developing our content studio and upgrading our IT infrastructure from the issue proceeds as detailed under the chapter “Object of the Offer” on page 65 of this offer document.

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

We have not entered into any technical or financial or any other collaboration agreement as on the date of filing of this offer document.

#### **COMPETITION**

Financial Markets and Training industry being a growing and global industry, we face competition from various domestic and international players. The industry which we cater to is highly competitive, unorganized and fragmented with many small and medium - sized companies and individual professionals/trainers. We compete with organized as well as unorganized sector on the basis of availability of range of courses.


#### **INSURANCE**

Our office premise is insured under the composite insurance policy issued by Kotak Mahindra General Insurance Company bearing policy number 3430799200 dated June 20, 2023 obtained by the lessor Mr. Rajesh Kumar Sodhani. Our premise is insured under the said insurance policy. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India.

#### **IMMOVABLE PROPERTIES**

Our Registered Office is leased from our Promoter Mr. Rajesh Kumar Sodhani which is renewable from time to time. The period of the present lease agreement is eleven months commencing from May 01, 2023 with the monthly rent of ₹ 1,00,000. Apart from it our company has few investments properties in form of land and plot. For further details, please refer the chapter titled “Restated Financial Information” beginning on page 139 of this Draft Prospectus

#### **INTELLECTUAL PROPERTY**

Our Company has made an application for registering our Brand name/ Logo trademark “” under class 41. For further details, please refer the page no 183 under chapter titled “Government and Other Statutory Approvals” of this Draft Prospectus.

## **KEY INDUSTRY REGULATIONS AND POLICIES**

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 183 of this Draft Prospectus.

### **THE COMPANIES ACT:**

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

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

### **SEBI REGULATIONS:**

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

## **TAX RELATED REGULATIONS**

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

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31st October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every company.

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

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states.

Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.



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

Our Company is engaged in the business of providing educational support and coaching services. The Coaching sector has been a largely unregulated industry till now. Other ancillary laws applicable to the sector are as under:

### **National Policy on Skill Development and Entrepreneurship 2015:**

The objective of the National Policy on Skill Development and Entrepreneurship, 2015 is to meet the challenge of skilling at scale with speed and standard (quality). It aims to provide an umbrella framework to all skilling activities being carried out within the country, and aligns them to common standards and link the skilling with demand centres. In addition to laying down the objectives and expected outcomes, it also aims to identify the various institutional frameworks which can act as the vehicle to reach the expected outcomes. The national policy also provides clarity and coherence on how skill development efforts across the country can be aligned within the existing institutional arrangements. This policy links skills development to improved employability and productivity.

The entrepreneurship policy framework has been developed to address the objectives underlined.

### **National Education Policy 2020:**

The National Policy on Education covers elementary and university education in urban as well as rural India.

- The policy provides for reforms at all levels of education from school to higher education.
- NEP aims to increase the focus on strengthening teacher training, reforming the existing exam system, early childhood care and restructuring the regulatory framework of education.
- Other intentions of the NEP include:
  - Increasing public investment in education,
  - Setting up NEC (National Education Commission),
  - Increasing focus on vocational and adult education,
  - Strengthening the use of technology, etc.

### **National Council of Educational Research and Training:**

The National Council of Educational Research and Training (NCERT) is an autonomous organization set up in 1961 by the Government of India to assist and advise the Central and State Governments on policies and programmes for qualitative improvement in school education. The major objectives of NCERT and its constituent units are to: undertake, promote and coordinate research in areas related to school education; prepare and publish model textbooks, supplementary material, newsletters, journals and develops educational kits, multimedia digital materials, etc. organize pre-service and in-service training of teachers; develop and disseminate innovative educational techniques and practices; collaborate and network with state educational departments, universities, NGOs and other educational institutions; act as a clearing house for ideas and information in matters related to school education. In addition to research, development, training, extension, publication and dissemination activities, NCERT is an implementation agency for bilateral cultural exchange programmes with other countries in the field of school education. The NCERT also interacts and works in collaboration with the international organizations, visiting foreign delegations and offers various training facilities to educational personnel from developing countries.

As per the National Education Policy 2020, NCERT is the nodal agency to develop National Curriculum Frameworks (NCFs) for (a) Early Childhood Care and Education (ECCE), (b) School Education, and (c) Adult Education.

### **Telemarketing Laws:**

The Department of Telecommunications ("DoT") has framed telemarketing guidelines which regulate commercial messages transmitted through telecommunication services and are applicable to the telemarketing activities by our Company in relation to our business. These guidelines require any person or entity engaged in telemarketing to obtain registration from the DoT. Telemarketing guidelines were issued by the Telecom Regulatory Authority of India ("TRAI") as the Telecom Unsolicited Commercial Communications Regulations, 2007 (the "Unsolicited Communications Regulations"). The Unsolicited Communications Regulations required telemarketers to, inter alia, obtain registration and discontinue the transmission of unsolicited commercial messages to telephone subscribers registered with a national database established under the regulations. The Unsolicited Communications Regulations have now been replaced with the Telecom Commercial Communications Customer Preference Regulations, 2010 (the "Customer Preference Regulations"), issued by the TRAI on December 1, 2010. The Customer Preference Regulations prohibit the transmission of unsolicited commercial communication via calls or SMS, except commercial communication relating to certain categories specifically chosen by the subscribers, certain exempted transactional messages and

any message transmitted on the directions of the Government or their authorized agencies, impose penalties on access providers for any violations, require setting-up customer complaint registration facilities by access providers and provide for blacklisting of telemarketers in specified cases. Further, the Customer Preference Regulations prohibit the transmission of commercial messages other than between 9 a.m. to 9 p.m. Under the Customer Preference Regulations, no person, or legal entity who subscribes to a telecom service provided by an access provider, may make any commercial communication without obtaining a registration as a telemarketer from the TRAI.

### **Fire Prevention Laws**

State governments have enacted laws that provide for fire prevention and life safety. Such laws may be applicable to our offices and Training Centers and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to compliance with fire prevention and life safety measures and impose penalties for non-compliance.

### **The Copyright Act, 1957 (the "Copyright Act")**

The Copyright Act provides for registration of copyrights, assignment and licensing of copyrights, and protection of copyrights, including remedies for infringement. The Copyright Act protects original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. In the event of infringement of a copyright, the owner of the copyright is entitled to both civil remedies, including damages, accounts and injunction and delivery of infringing copies to the copyright owner, and criminal remedies, including imprisonment and imposition of fines and seizure of infringing copies. Copyright registration is not mandatory under the Copyright Act for acquiring or enforcing a copyright, however, such registration creates a presumption favoring ownership of the copyright by the registered owner.

### **Consumer Protection (E-Commerce) Rules, 2020 (the "E-commerce Rules")**

The E-Commerce Rules regulate the marketing, sale and purchase of goods and services over a digital or electronic network. It restricts the use of any unfair trade practice by e-commerce entities and mandates the establishment of an adequate grievance redressal mechanism and the appointment of a grievance officer. Further, the E-Commerce Rules required all e-commerce entities to appoint a nodal person of contact or an alternate senior designated functionary to ensure compliance with its provisions. Contravention of the E-Commerce Rules will attract penal action in accordance with the Consumer Protection Act, 2019.

### **Personal Data Protection Bill, 2019 ("PDP Bill")**

The PDP Bill was introduced to propose a legal framework governing the processing of personal data, where such data has been collected, disclosed, shared or otherwise processed within India, as well as any processing of personal data by the Indian Government, Indian companies, Indian citizens or any person or body of persons incorporated or created under Indian law. The PDP Bill defines personal data and sensitive personal data, prescribes rules for collecting, storing and processing of such data and imposes obligations on data fiduciaries in relation to the handling of such personal data. The joint parliamentary committee on the PDP Bill adopted the final draft of the PDP Bill and tabled its report on the PDP Bill before parliament in 2021. The PDP Bill is scheduled to be tabled before parliament. Further, the joint parliamentary committee has proposed that the name of the bill be changed to the "Data Protection Bill".

### **Consumer Protection Act, 2019 (the "Consumer Protection Act") and the rules made thereunder**

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" under the Consumer Protection Act also includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

## **REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT**

### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

### **Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed there under.**

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

### **Ownership restrictions of FIIs**

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

### **Laws related to Overseas Investment by Indian Entities:**

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in supression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI have vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

### **Foreign Trade Policy 2023:**

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services. All exports and imports made up to 31.03.2023 shall, accordingly, be governed by the relevant FTP, unless otherwise specified.

### **LAWS RELATED TO EMPLOYMENT OF MANPOWER:**

#### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

#### **The 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.

#### **The Industrial Relations Code, 2020 ("Industrial Code")**

The Ministry of Law and Justice, with an intent to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute, has introduced the Industrial Code. The Code provides that the Central Government may repeal the provisions of the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 and may supersede them with the applicability of any provision of the Industrial Code. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply, and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

#### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

#### **Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

**Certain other laws and regulations that may be applicable to our Company in India include the following:**

- Minimum Wages Act, 1948
- Payment of Bonus Act, 1965 (“POB Act”)
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour Regulation and Abolition Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)

**LAWS RELATING TO INTELLECTUAL PROPERTY**

**Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

**The Designs Act, 2000 (Designs Act)**

The objective of Designs Act is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

**OTHER GENERAL RULES AND REGULATIONS**

**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.

**State Laws**

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals

required may vary depending on the state and the local area.

### **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### **Other regulations:**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

### **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

### **BRIEF HISTORY OF OUR COMPANY**

Our Company was originally incorporated as ‘Sodhani Financial Consultants Private Limited’ as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 03, 2009 issued by the Registrar of Companies, Rajasthan, Jaipur. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to ‘Sodhani Financial Consultants Limited’ vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on March 09, 2023. The fresh certificate of incorporation dated April 10, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur.

Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on May 01, 2023, the name of our Company was changed from “Sodhani Financial Consultants Limited” to “Sodhani Academy of Fintech Enablers Limited”. The fresh certificate of incorporation dated May 15, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur. Bearing CIN U67120RJ2009PLC028237.

Mr. Rajesh Kumar Sodhani and Mrs. Priya Sodhani were the initial subscribers to the Memorandum of Association of our Company. Our Company has 7 (seven) Shareholders as on the date of filing of this Draft Prospectus. For further information, please refer the chapter “*Capital Structure*” on page no. 52 of this Draft Prospectus.

Our company is engaged in the business of providing training, consultancy and learning services. Our focus area of service delivery has been under the domain of financial literacy and awareness. Financial literacy and awareness domain broadly refers to the knowledge and understanding of various financial concepts and skills that enable learners to make informed and responsible decisions regarding financial matters. It encompasses the ability to manage money effectively, budget wisely, save and invest prudently, and comprehend basic financial products and services. We believe a strong foundation in financial literacy empowers learners to navigate the complexities of the financial world, make sound financial choices, and plan for their future financial well-being. Our training, consultancy and learning services have majorly been focused in the areas of financial planning, fundamental analysis, technical analysis, basics of stock market and retirement planning. We identified the opportunity in the business domain of training, consultancy and learning around the end of year 2020. Accordingly we initiated the development of content, trainers and supportive delivery infrastructure. The year 2021 was largely the initial year of operation in the domain of training and learning solutions under financial literacy, hence the revenues were at nascent stage. With the onset of covid pandemic, we witnessed an accelerated acceptance for online delivery/sessions among the learner. It was around this period that the market for our services was also encouraging, with learners keen to upgrade their knowledge in the domain of financial literacy. From the financial year 2020-21 onwards, we dedicatedly grew our learner reach outs and deliveries. We also developed our pool of in house & guest trainers and delivery infrastructure. With our delivery infrastructure being well established we further scaled in the subsequent years. Resultantly, we saw gradual uptick in our deliver sessions and participants enrolling for our sessions.

Our learners base comprises of various categories of participants such as students (both pursuing active education and qualified candidates) graduates (collectively being referred as "Students"), individuals who are presently not working and homemakers, (collectively being referred as "Learners") through our courses, seminars, sessions and material in the area of financial literacy and awareness. We aim at transforming theory into hands-on practice for learners to achieve adequate and sustainable financial learning.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, please refer the chapter titled “Our Business”, “Industry Overview”, “Our Management”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 94, 82, 119, 139 and 166 respectively of this Draft Prospectus.

### **MAJOR EVENTS IN THE HISTORY OF OUR COMPANY**

| <b>Year</b> | <b>Major Events / Milestone / Achievements</b>                                  |
|-------------|---|
| 2009        | Incorporation of our Company as “Sodhani Financial Consultants Private Limited” |
|             | Portfolio of current course delivery module crosses “10”                        |

| Year | Major Events / Milestone / Achievements   |
|------|---|
| 2023 | Company registers with “NSDC”   |
|      | Conversion into Public Limited Company as “Sodhani Financial Consultants Limited”                                       |
|      | Name change of our company from “Sodhani Financial Consultants Limited” to “Sodhani Academy of Fintech Enablers Limited |

## MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

*To carry on in India or elsewhere the Activity of Promoting, Imparting, Launching, Creating, Designing, Adopting Traditional, Formal and Creative Means of Imparting, Inculcating, Disseminating, Diversified Skills, Education Forms and Personality Development Techniques by providing Training, Conducting Seminars, Web-Seminars, Counselling, E-Courses, Online Classes, Mobile Applications, Teaching to Schools, college, University, Private Institutions Students, Corporates, Distance Education, Personal or Group Coaching & Consultancy, Personal Consultancy & Training, Business Consultancy & Training, Telephonic Consultation, Meditation Exercise, Motivational Trainings, Delivering Training Programme on Neuro Linguistic Programming, Hypnotherapy Treatments, with the intent of carrying on the Business of Education, Training, Skill Developments, Employment Assistance and placement activities amongst the masses of India and Abroad by own self and/or through any other Individual, Association of Persons or such Body or Otherwise for self or for and on behalf of any third party under an Agreement or Understanding whether Written or Otherwise and on such terms and conditions as the Company may deem fit and training program of health care and all employment enabling services and for this purpose, develop Artificial Intelligence Applications and to do all incidental acts and things necessary for the attainment of foregoing objects. The main objects and objects incidental and ancillary to the attainment of the main objects, as contained in the Memorandum of Association, enable our Company to carry on its existing business.*

## CHANGES IN THE REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

The Registered Office of the Company is situated at P No. C 373, First Floor, C Block, Vaishali Nagar, Jaipur-302021, Rajasthan, India. The following changes were made in the location of our Registered Office.

| Date of Change    | Changed From   | Change to  | Reason for change                     |
|-------------------|--|--|---------------------------------------|
| February 29, 2016 | S-4, 2 <sup>nd</sup> , Floor, Jagdamba Tower, Amrapali Circle, Vaishali Nagar, Jaipur-302021, Rajasthan, India | S-2, 2 <sup>nd</sup> , Floor, Jagdamba Tower, Amrapali Circle, Vaishali Nagar, Jaipur-302021, Rajasthan, India | For better administrative convenience |
| January 15, 2022  | S-2, 2 <sup>nd</sup> , Floor, Jagdamba Tower, Amrapali Circle, Vaishali Nagar, Jaipur-302021, Rajasthan, India | P No. C 373, First Floor, C Block, Vaishali Nagar, Jaipur-302021, Rajasthan, India                             | For better administrative convenience |

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY SINCE INCORPORATION

| Sr. No | Date of Shareholder's Resolution | Nature of Amendment |
|--------|----------------------------------|---------------------|
|--------|----------------------------------|---------------------|



|    |                  |  |
|----|------------------|--|
| 1. | June 13, 2009    | <b><u>Alteration in Capital Clause:</u></b><br>The authorize share capital of our Company increased from ₹ 10.00 Lakh divided into 1,00,000 Equity Shares of ₹ 10 each to ₹ 20.00 Lakh divided into 2,00,000 Equity Shares of ₹ 10 each  |
| 2. | January 01, 2022 | <b><u>Alteration in Capital Clause:</u></b><br>The authorize share capital of our Company increased from ₹ 20.00 Lakh divided into 2,00,000 Equity Shares of ₹ 10 each to ₹ 300 Lakh divided into 30,00,000 Equity Shares of ₹ 10 each   |
| 3. | March 09, 2023   | <b><u>Alteration in Name Clause:</u></b><br>Change in the name clause from “Sodhani Financial Consultants Private Limited” to “Sodhani Financial Consultants Limited” pursuant to Conversion from Private Limited Company to Public Limited Company.   |
| 4. | April 24, 2023   | <b><u>Alteration in Object Clause by deletion of additional object clause no 2nd and addition of new object clause:</u></b><br>To carry on the Activity of Promoting, Imparting, Launching, Creating, Designing, Adopting Traditional, Formal and Creative Means of Imparting, Inculcating, Disseminating, Diversified Skills, Education Forms and Personality Development Techniques by providing Training, Conducting Seminars, Web-Seminars, Counseling, E-Courses, Online Classes, Teaching to Schools, college, University, Private Institutions Students, Distance Education, Personal or Group Coaching & Consultancy, Personal Consultancy & Training, Business Consultancy & Training, Telephonic Consultation, Meditation Exercise, Motivational Trainings, Delivering Training Programme on Neuro Linguistic Programming, Hypnotherapy Treatments, , with the intent of carrying on the Business of Education and Skill Developments amongst the masses of India and Abroad by own self and/or through any other Individual, Association of Persons or such Body or Otherwise for self or for and on behalf of any third party under an Agreement or Understanding whether Written or Otherwise and on such terms and conditions as the Company may deem fit and training program of health care and all employment enabling services and to do all incidental acts and things necessary for the attainment of foregoing objects. |
| 5. | May 01, 2023     | <b><u>Alteration in Capital Clause:</u></b><br>The authorize share capital of our Company increased from ₹ 300 Lakh divided into 30,00,000 Equity Shares of ₹ 10 each to ₹ 700 Lakh divided into 70,00,000 Equity Shares of ₹ 10 each  |
| 6. | May 15, 2023     | <b><u>Alteration in Name Clause:</u></b><br>Change in the name clause from “Sodhani Financial Consultants Private Limited” to “Sodhani Academy of Fintech Enablers Limited” pursuant to change of name of the Company.   |

| Sr. No | Date of Shareholder's Resolution | Nature of Amendment   |
|--------|----------------------------------|---|
| 7.     | May 31, 2023                     | <p><b><u>Alteration in Object Clause by replacing the existing main object clause (Clause 3(a) 1</u></b></p> <p>To carry on in India or elsewhere the Activity of Promoting, Imparting, Launching, Creating, Designing, Adopting Traditional, Formal and Creative Means of Imparting, Inculcating , Disseminating, Diversified Skills, Education Forms and Personality Development Techniques by providing Training, Conducting Seminars, Web- Seminars, Counselling, E-Courses, Online Classes, Mobile Applications, Teaching to Schools, college, University, Private Institutions Students, Corporates, Distance Education, Personal or Group Coaching &amp; Consultancy, Personal Consultancy &amp; Training, Business Consultancy &amp; Training, Telephonic Consultation, Meditation Exercise, Motivational Trainings, Delivering Training Programme on Neuro Linguistic Programming, Hypnotherapy Treatments, with the intent of carrying on the Business of Education, Training, Skill Developments, Employment Assistance and placement activities amongst the masses of India and Abroad by own self and/or through any other Individual, Association of Persons or such Body or Otherwise for self or for and on behalf of any third party under an Agreement or Understanding whether Written or Otherwise and on such terms and conditions as the Company may deem fit and training program of health care and all employment enabling services and for this purpose, develop Artificial Intelligence Applications and to do all incidental acts and things necessary for the attainment of foregoing objects. The main objects and objects incidental and ancillary to the attainment of the main objects, as contained in the Memorandum of Association, enable our Company to carry on its existing business.</p> |

#### **ADOPTING NEW ARTICLES OF ASSOCIATION OF THE COMPANY**

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-ordinary General Meeting of the Company dated May 31, 2023

#### **LOCK-OUT AND STRIKES**

There have been no instances of strikes or lock-outs at any time in our Company.

#### **SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS**

Our Company has not entered into any Significant Financial or Strategic Partnerships except as entered in its normal course of business.

#### **TIME/COST OVERRUN IN SETTING UP PROJECTS**

As on 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 PLANTS**

For details of our services, diversification into new avenues within our business domain and our office location, see "Our Business on page 94 of this Draft Prospectus.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS**

As on date of this Draft Prospectus, our Company has not made any defaults / re-scheduling of its borrowings.

#### **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS**

There have been no changes in the activities of our Company since its date of incorporation which may have had a material adverse effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

#### **ACQUISITION OF BUSINESSES / UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEAR**

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

#### **OUR HOLDING COMPANY**

As on the date of this Draft Prospectus, our Company does not have any Holding Company.

#### **OUR SUBSIDIARIES**

As on the date of this Draft Prospectus our Company does not have any subsidiary.

#### **OUR ASSOCIATES**

As on the date of this Draft Prospectus our Company does not have any associate companies.

#### **JOINT VENTURES**

As on the date of this Draft Prospectus, there are no joint ventures of our Company.

#### **SHAREHOLDERS' AGREEMENT**

Our Company has not entered into any Shareholders Agreement as on the date of this Draft Prospectus.

#### **OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Draft Prospectus.

#### **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY**

There are no agreements entered into by key managerial personnel or a Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

#### **AGREEMENTS WITH STRATEGIC PARTNERS, JOINT VENTURE PARTNERS AND/OR FINANCIAL PARTNERS AND OTHER AGREEMENTS**

Our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company

#### **GUARANTEES GIVEN BY PROMOTERS**

As on the date of this Draft Prospectus, no guarantee has been issued by Promoters.

#### **COLLABORATION**

Our Company has not entered into any Collaboration as on the date of this Draft Prospectus.

**INJUNCTION OR RESTRAINING ORDERS**

There are no injunctions/restraining orders that have been passed against the company.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Draft Prospectus, our Company has 6 (Six) Directors on the Board of which, 1 (One) is Executive, 2 (Two) are Non-Executive and Non-Independent, and 3 (Three) are Independent Directors.

Set forth below are details regarding the Board of Directors as on the date of this Draft Prospectus:

| Name, Designation Father's / Husband's Name, Age, Address, Occupation, Nationality, DIN and Term   | Date of Appointment / Reappointment  | Other Directorships / Interest   |
|--|--|--|
| <b>Name:</b> Priya Sodhani<br><b>Designation:</b> Chairperson and Non-Executive Director<br><b>Father's Name:</b> Late Arun Kumar Malani<br><b>Date of Birth:</b> 08-01-1978<br><b>Age:</b> 45 Years<br><b>Qualification:</b> B.A.<br><b>Experience:</b> 15 Years<br><b>Address:</b> Flat no. B 1402/1403, Melodia by Purple group, Kuber complex, 5, Gandhipath, Acharya Vinoba Bhave nagar, Jaipur, Rajasthan-302021<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>DIN:</b> 02523843<br><b>Term:</b> Appointed as Chairperson with effect from May 30, 2023                           | Appointed as Non -Executive Director w.e.f. 03.02.2009 (incorporation)<br><br>Change in Designation to Chairperson w.e.f. 30.05.2023       | <b>Indian Private Limited Companies</b><br><br>Sodhani Capital Private Limited |
| <b>Name:</b> Rajesh Kumar Sodhani<br><b>Designation:</b> Managing Director<br><b>Father's Name:</b> Kailash Chandra Sodhani<br><b>Date of Birth:</b> 26-09-1970<br><b>Age:</b> 52 Years<br><b>Qualification:</b> MBA – Finance<br><b>Experience:</b> 32 Years<br><b>Address:</b> Flat no. B 1402/1403, Melodia by Purple group, Kuber complex, 5, Gandhipath, Acharya Vinoba Bhave nagar, Jaipur, Rajasthan-302021<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>DIN:</b> 02516856<br><b>Term:</b> Appointed as Managing Director with effect from May 30, 2023 for a period of 3 years | Appointed as Non -Executive Director w.e.f. 03.02.2009 (incorporation)<br><br>Change in Designation to Managing Director w.e.f. 30.05.2023 | <b>Nil</b>   |

|  |   |   |
|--|---|---|
| <p><b>Name:</b> Dhiraj Malhotra<br/> <b>Designation:</b> Non-Executive and Non-Independent Director<br/> <b>Father's Name:</b> Dina Nath Malhotra<br/> <b>Date of Birth:</b> 04-07-1972<br/> <b>Age:</b> 51 Years<br/> <b>Qualification:</b> B.Sc., PGDM<br/> <b>Experience:</b> 29 Years<br/> <b>Address:</b> 304, B block, Gokul dham2, Janpath lane 6, Nirman nagar, Jaipur - 302019<br/> <b>Occupation:</b> Professional<br/> <b>Nationality:</b> Indian<br/> <b>DIN:</b> 07528401<br/> <b>Term:</b> Appointed as Non-Executive and Non-Independent Director with effect from May 30, 2023 for a period of 5 years</p>                           | <p>Appointed as additional Non-Executive and Non-Independent Director of the Company w.e.f. 30.05.2023 and regularize in EGM dated 31.05.2023</p> | <p><b>Indian Limited Liability Partnership</b><br/><br/>Amplifia Advisory Services LLP (Partner)</p>  |
| <p><b>Name:</b> Jagadeesh Atukuri<br/> <b>Designation:</b> Non-Executive and Independent Director<br/> <b>Father's Name:</b> Paparao Atukuri<br/> <b>Date of Birth:</b> 07-06-1993<br/> <b>Age:</b> 30 Years<br/> <b>Qualification:</b> CA<br/> <b>Experience:</b> 8 Years<br/> <b>Address:</b> 11-101//1, Behind Vasavi Temple, Janapadu road Kanyakaparameswari temple, Pidugurulla, Guntur, Andhra Pradesh-522413<br/> <b>Occupation:</b> Professional<br/> <b>Nationality:</b> Indian<br/> <b>DIN:</b> -08478109<br/> <b>Term:</b> Appointed as Non-Executive and Independent Director with effect from May 30, 2023 for a period of 5 years</p> | <p>Appointed as Additional Independent Director of the Company w.e.f 30.05.2023 and regularize in EGM dated 31.05.2023</p>                        | <p><b>Indian Private Limited Companies</b><br/><br/>Comply dot Private Limited<br/><br/>Shark Capital Investment Advisers Private Limited</p> |
| <p><b>Name:</b> Shilpa Maheshwari<br/> <b>Designation:</b> Non-Executive and Independent Director<br/> <b>Father's Name:</b> Hariprasad Mangalchand Somani<br/> <b>Date of Birth:</b> 15-02-1972<br/> <b>Age:</b> 51 Years<br/> <b>Qualification:</b> B.Sc., MBA.<br/> <b>Experience:</b> 22 Years<br/> <b>Address:</b> D-2 Parkbay Society, Vidyanagari Marg, Santacruz (East), Mumbai-400098 Maharashtra, India<br/> <b>Occupation:</b> Professional<br/> <b>Nationality:</b> Indian<br/> <b>DIN:</b> 07431117<br/> <b>Term:</b> Appointed as Non-Executive and Independent Director with effect from May 30, 2023 for a period of 5 years</p>     | <p>Appointed as Additional Independent Director of the Company w.e.f 30.05.2023 and regularize in EGM dated 31.05.2023</p>                        | <p><b>Indian Public Limited Companies</b><br/><br/>Jay Jagdamba Limited</p>   |

|   |  |            |
|---|--|------------|
| <p><b>Name:</b> Deepak Kapoor<br/> <b>Designation:</b> Non-Executive and Independent Director<br/> <b>Father's Name:</b> Sham Sundar Kapoor<br/> <b>Date of Birth:</b> 16-07-1968<br/> <b>Age:</b> 54 Years<br/> <b>Qualification:</b> B. Com<br/> <b>Experience:</b> 32 Years<br/> <b>Address:</b> F N T-944, Building No 11,9th floor, Kanakpura, Rangoli Garden, Jaipur, Rajasthan - 302021<br/> <b>Occupation:</b> Professional<br/> <b>Nationality:</b> Indian<br/> <b>DIN:</b> 10159949<br/> <b>Term:</b> Appointed as Non-Executive and Independent Director with effect from May 30, 2023 for a period of 5 years</p> | <p>Appointed as Additional Independent Director of the Company w.e.f 30.05.2023 and regularize in EGM dated 31.05.2023</p> | <p>Nil</p> |
|---|--|------------|

## BRIEF PROFILE OF OUR DIRECTORS

**Mrs. Priya Sodhani:** Mrs. Priya Sodhani, aged 45 years, is the Promoter and Chairperson of the company. She holds a Bachelor degree in Arts. She has been one of the promoters and Non -Executive Director of the company since the inception. She has been re-designated as Chairperson with effect from May 30, 2023. She provides guidance to our company in the matters of financial literacy, insurance products and related domains.

**Mr. Rajesh Kumar Sodhani:** Mr. Rajesh Sodhani, aged 52 years, is the Promoter and Managing Director of our company. He was originally appointed as Non -Executive Director on the board since incorporation. He holds Masters' degree in Business Administration (Finance) from Mewar University. He also possesses certifications from National Institute of Securities Markets (NISM), namely Research Analyst and Investment Advisor. He has an experience of 32 years in the finance domain in the field of mutual fund, retirement planning, savings, investments and insurance. He is also a Securities Exchange Board of India (SEBI) registered Research Analyst. He is a goal-driven, determined individual who prioritizes results and demonstrates a strong work ethic. His extensive industrial experience and understanding has enabled the company to grow.

**Mr. Dhiraj Malhotra:** Mr. Dhiraj Malhotra aged 51 years, is appointed as a Non-Executive and Non-Independent Director on board of our company. He holds a bachelor's degree in Science from Maharshi Dayanand Saraswati University and is a Post-Graduation Diploma in Management from AIMA-CME (Marketing). He has a versatile experience in different industries. Prior to embarking on professional training, he has worked with prominent players like Max New York Life, Tata AIA Life Insurance and Eli Lilly and Company. He is also Chief Master Trainer at LIMRA (India).

**Jagadeesh Atukuri:** Mr. Jagadeesh Atukuri aged 30 years, appointed as a Non-Executive Independent Director of our company. He has successfully earned his Bachelors of Commerce degree from Sri Krishna devaraya University. He is a member of the Institute of Chartered Accountants of India. He is also a SEBI Registered Research Analyst. He has an extensive background in financial services sector with accumulated years of valuable experience working with renowned organizations such as Integra International Limited, Aliens Group Private Limited, and Vachana Investments. He provides valuable guidance to the company with his independent perspective and unbiased viewpoint.

**Shilpa Maheshwari:** Mrs. Shilpa Maheshwari aged 51 years, appointed as a Non-Executive and Independent Director of our company. In her academic journey, she completed her Bachelors of science from Jai Hind College and Master of Business Administration with a specialization in Finance from ITM group of institutions. She has over 22 years of experience in financial services industry. In her professional journey, she has garnered valuable experience by working with esteemed

organizations such as Sunidhi Securities & Finance Limited, Globe Capital Market Limited, Arihant Capital Markets Limited, and Valorem Advisors. Currently she holds a position of Senior Vice President – Equity sales in Batlivala & Karani Securities Private Limited and also serves as a value member on the board of directors of Jay Jagdamba Limited.

**Deepak Kapoor:** Mr. Deepak Kapoor aged 54 years, is appointed as a Non-Executive and Independent Director on board of our company. He holds a bachelor’s degree in commerce from Delhi University. He is a NLP practitioner, Trainer, Coach and Consultant. He has 32 years of successful career in marketing & sales; Leadership, Sales & Behavioral Trainings with organizations like Unit Trust of India, Principal Mutual Funds & Max Life Insurance. He has trained and up-skilled more than 7000 students, agents and managers across companies on different topics and held assessment centres for 100+ professionals through Mock Interview and guided them by providing feedback.

## CONFIRMATIONS

As on the date of this Draft Prospectus:

- a. Except as stated below, none of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

| Sr. No | Name of Director         | Name of Director   | Relationship   |
|--------|--------------------------|--------------------|----------------|
| 1.     | Mr. Rajesh Kumar Sodhani | Mrs. Priya Sodhani | Husband – Wife |

- b. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or Member of Senior Management.
- c. There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- d. As on the date of this Draft Prospectus, none of our directors are on the RBI List of wilful defaulters.
- e. As on the date of this Draft Prospectus, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- f. As on the date of this Draft Prospectus, none of our Director is or was a director of any Listed Company during the last 5 (five) years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- g. As on the date of this Draft Prospectus, none of our Director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
- h. As on the date of this Draft Prospectus, none of the Directors or persons in control of our Company, 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
- i. No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.
- j. None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1) (III) of SEBI ICDR Regulations.

## BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a Special Resolution passed at an Extra-Ordinary General



Meeting of our Company held on May 31, 2023 our Shareholders authorized the Board of Directors of our Company to borrow sum of money from time to time, notwithstanding that the sum of money to be borrowed together with the sum of money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 10 crores (Rupees Ten Crores Only).

#### **REMUNERATION/ COMPENSATION TO OUR DIRECTORS**

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The compensation payable to the Managing Director from F.Y. 2023-24 onwards as resolved in the Extra-Ordinary General Meeting held on May 31, 2023 is stated hereunder:

The total remuneration payable to Mr. Rajesh Kumar Sodhani, Managing Director, shall not exceed a sum of ₹36.00 Lakhs per annum (inclusive of all salary, perquisites, benefits, incentives and allowances).

#### **REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS BY OUR COMPANY**

The remuneration / Compensation (including other benefits) paid to our current Directors by our Company, for period ended FY 2022-2023 is as follows:

Our Company has paid ₹12.00 Lakhs as remuneration to Mr. Rajesh Kumar Sodhani in the capacity of Director for period ended F.Y.2022-23 respectively.

#### **PAYMENT OR BENEFIT TO NON - EXECUTIVE INDEPENDENT DIRECTORS OF OUR COMPANY**

As per Articles of Association of our Company and pursuant to Board Resolution dated June 1, 2023 the remuneration payable in terms of sitting fees to the Directors (including Independent Directors) for attending the Meetings of the Board and Committee thereof shall not exceed the limits prescribed under Section 197(5) of the Companies Act, 2013.

Pursuant to the Resolution passed by the Board of Directors of our Company on June 1, 2023 the Non-Executive & Independent Directors of our Company would be entitled to a sitting fee of upto ₹ 2,500 for attending every meeting of Board or its Committee thereof.

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as Directors.

#### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS**

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

#### **BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS**

None of the Directors are party to any bonus or profit-sharing plan of our Company.

#### **SHAREHOLDING OF DIRECTORS IN OUR COMPANY**

Our Articles of Association do not require our directors to hold qualification shares.

As on date of this Draft Prospectus, our directors hold the following number of Equity Shares of our Company:

| Sr. No. | Name of Directors        | No. of Equity Shares Held (Pre-Offer) | % of Pre-Offer capital |
|---------|--------------------------|---------------------------------------|------------------------|
| 1.      | Mr. Rajesh Kumar Sodhani | 18,37,500                             | 38.88%                 |
| 2.      | Mrs. Priya Sodhani       | 14,87,500                             | 31.48%                 |

## **INTEREST OF OUR DIRECTORS**

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled "Our Management" beginning on page 116 of this Draft Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/firms in which they are interested as directors/Members/Partners.

Except as stated otherwise in this Draft Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Draft Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them except as stated in the section "Our Management" and the section titled "Restated Financial information of the Company – Annexure 25 – Related Party Disclosure" beginning on page 119 and page 139 respectively of this Draft Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

### **Interest in promotion of our company**

Our Directors, Mr. Rajesh Kumar Sodhani and Mrs. Priya Sodhani may be deemed to be interested in the promotion of our Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them, if any. For further details, refer to chapters titled "Our Promoters and Promoter Group" and "Restated Financial information of the Company – Annexure 24 – Related Party Disclosure" beginning on pages 133 and 139 of this Draft Prospectus.

### **Interest in property of our company**

Except as stated in the chapter titled "Our Business" beginning on page 94 and chapter titled Financial Statement "Annexure 25 Related Party Transaction" beginning on page 139 of this Draft Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 3 (three) years preceding the date of Draft Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Further our directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled "Immovable Properties" under the chapter titled "Our Business" beginning on page 95 of this Draft Prospectus.

### **Interest as Member of a Company or Firm**

Except as stated in this chapter titled "Our Management", the section titled "Related Party Transaction – Annexure 25 of Restated Financial Statements" and the chapter "Our Business" on page nos. 119, 139 and 94 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.

## **APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT**

As on the date of this Draft Prospectus, none of the relatives of our Directors currently hold any office or place of profit in our Company.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

| Name of Director         | Date of Appointment/<br>Change | Reason for change  |
|--------------------------|--------------------------------|--|
| Mr. Rajesh Kumar Sodhani | May 30,2023                    | Appointment as Managing Director                                   |
| Mrs. Priya Sodhani       | May 30,2023                    | Appointment as Chairperson   |
| Mr. Suresh Kumar Sodhani | January 18, 2022               | Appointment as Director  |
| Mr. Suresh Kumar Sodhani | May 30,2023                    | Resignation as Director  |
| Mr. Dhiraj Malhotra      | May 30,2023                    | Appointment as Additional Non- Executive Non-Independent Director* |
| Mr. Jagadeesh Atukuri    | May 30,2023                    | Appointment as Additional Non- Executive Independent Director*     |
| Mrs. Shilpa Maheshwari   | May 30,2023                    | Appointment as Additional Non- Executive Independent Director*     |
| Mr. Deepak Kapoor        | May 30,2023                    | Appointment as Additional Non- Executive Independent Director*     |

\*Regularize in Extra-Ordinary General Meeting dated May 31, 2023.

## CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, SEBI ICDR 2018, provisions of the SEBI (LODR) Regulation, 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The Corporate governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Prospectus, there are 6 (Six) Directors on the Board of which, 1 (One) is Executive, 2 (Two) are Non-Executive and Non-Independent, and 3 (Three) are Independent Directors including woman directors.

Our Company is in compliance with the Corporate Governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

## COMMITTEES OF OUR BOARD

The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:

- A. Audit Committee
- B. Stakeholders' Relationship Committee
- C. Nomination and Remuneration Committee

Details of each of these committees are as follows:

### A. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors

held on June 1, 2023. The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange. The committee presently comprises the following 3 (Three) Directors:

| Sr. No. | Name of Director  | Status in Committee | Nature of Directorship                     |
|---------|-------------------|---------------------|--|
| 1.      | Jagadeesh Atukuri | Chairman            | Non-Executive and Independent Director     |
| 2.      | Deepak Kapoor     | Member              | Non-Executive and Independent Director     |
| 3.      | Dhiraj Malhotra   | Member              | Non-Executive and Non-Independent Director |

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

### Meetings of Audit Committee and Quorum

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

### Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice;
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- To have full access to information contained in records of the company

The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

### Role of Audit Committee

The role of the Audit Committee together with its power as per part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall include the following:

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of

proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (3) internal audit reports relating to internal control weaknesses; and
- (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (5) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable.
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice.

#### **B. Stakeholders' Relationship Committee**

Our Company has constituted a shareholder / investors grievance committee "Stakeholders' Relationship Committee" to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on June 1, 2023. The Stakeholders Relationship Committee comprises the following Directors:

| <b>Sr. No.</b> | <b>Name of Director</b> | <b>Status in Committee</b> | <b>Nature of Directorship</b>              |
|----------------|-------------------------|----------------------------|--|
| 1.             | Deepak Kapoor           | Chairman                   | Non-Executive and Independent Director     |
| 2.             | Shilpa Maheshwari       | Member                     | Non-Executive and Independent Director     |
| 3.             | Dhiraj Malhotra         | Member                     | Non-Executive and Non-Independent Director |

The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders' Relationship Committee. The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company.

**The Company Secretary of the Company will act as the Secretary of the Committee.**

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**C. Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on June 1, 2023. The said committee is comprised as under:

| Sr. No. | Name of Director  | Status in Committee | Nature of Directorship                     |
|---------|-------------------|---------------------|--|
| 1.      | Shilpa Maheshwari | Chairman            | Non-Executive and Independent Director     |
| 2.      | Jagadeesh Atukuri | Member              | Non-Executive and Independent Director     |
| 3.      | Dhiraj Malhotra   | Member              | Non-Executive and Non-Independent Director |

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

**Role of the Nomination and Remuneration Committee not limited to but includes:**

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- (2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;

- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- (3) formulation of criteria for evaluation of performance of independent directors and the board of directors;
  - (4) devising a policy on diversity of board of directors;
  - (5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
  - (6) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
  - (7) recommend to the board, all remuneration, in whatever form, payable to senior management.

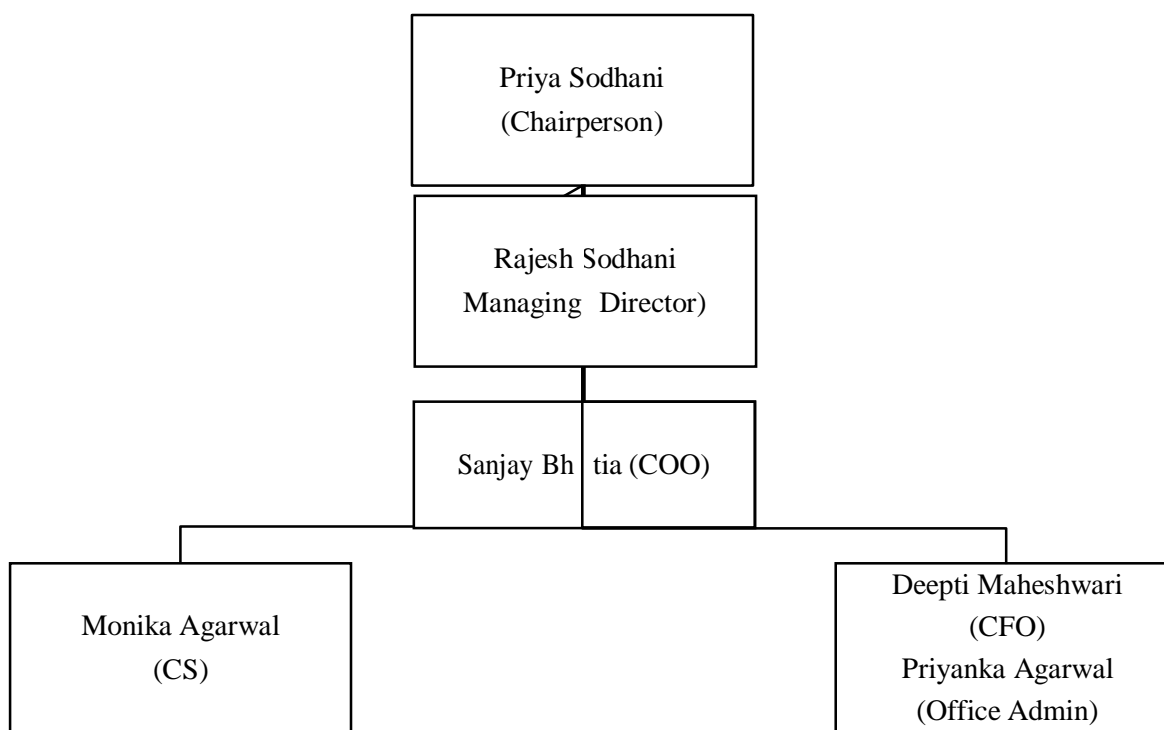
#### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDERTRADING**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“SEBI PIT Regulations”) 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 (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

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.

#### **ORGANIZATION STRUCTURE**

The following chart depicts our organization structure:



## KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company.

Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

**Mr. Rajesh Kumar Sodhani** is the Managing Director of our Company. For details, see “Brief Profile of our Director”, see “Our Management” chapter beginning on page 119this Draft Prospectus.

**Mr. Sanjay Bhatia** is the Chief Operating Officer of our company. He has served Indian Army for over two decades before retiring as Lieutenant Colonel. He is an Ex EME-officer with proficiency in Equipment Management (Specialization in Heavy Tracked Vehicles and multi axle HCVs). He holds a PGDM (Exec) in Corporate Finance and Corporate Strategy from IIM Kozhikode. He has been appointed as COO in the Board meeting held on June 1,2023. He would be playing a significant role in leading the learning and training modules of our company.

**Ms. Deepti Maheshwari** is the Chief Financial Officer of the Company. She currently overseas and controls the finance operations of our Company. She was appointed as the Chief Financial Officer at the meeting of Board of Directors with effect from May 30,2023. She is a MBA in Finance from Banasthali University.

**Ms. Monika Agarwal**, is the Company Secretary and Compliance Officer of our company with effect from May 30,2023. She is a qualified Company Secretary from the Institute of Company Secretaries of India. She looks after the overall corporate governance and secretarial matters of our Company.

## RELATIONSHIP OF DIRECTORS/PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)

As on the date of this Draft Prospectus, none of the KMPs are related to the directors/promoters

## SHAREHOLDING OF KEY MANAGERIAL PERSONNEL



As on date of this Draft Prospectus, Other than Mr. Rajesh Kumar Sodhani who holds 18,37,500 equity shares, none of the KMPs hold any shares in our company.

#### **REMUNERATION/COMPENSATION TO OUR KEY MANAGERIAL PERSONNEL**

Set forth below is the remuneration paid by our Company to our KMPs for the Period ended 31, 2023.

(₹ in Lakhs)

| <b>Sr. No.</b> | <b>Name of KMP's</b>     | <b>Current Designation</b>             | <b>Remuneration paid<br/>March 31, 2023</b> |
|----------------|--------------------------|--|---|
| 1.             | Mr. Rajesh Kumar Sodhani | MD                                     | 12.00                                       |
| 2.             | Mr. Sanjay Bhatia*       | COO                                    | NIL   |
| 3.             | Mrs. Deepti Maheshwari*  | CFO                                    | NIL   |
| 4.             | Mrs. Monika Agarwal*     | Company Secretary & Compliance Officer | NIL   |

\* Appointed on May 30, 2023, hence remuneration details of FY 2022-2023 are not applicable.

#### **BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL**

As on the date of this Draft Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel.

#### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation as on date of this Draft Prospectus.

#### **LOANS TO KEY MANAGERIAL PERSONNEL**

There is no loan outstanding against Key Managerial Personnel as on date of this Draft Prospectus.

#### **INTEREST OF KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel of our Company have interest in our Company 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 and may also be interested to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any. Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated in the heading titled "Related Party Transactions" under the Section titled "Restated Financial Information" beginning on page 139 this Draft Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

#### **CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS**

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Draft Prospectus:

| <b>Sr. No.</b> | <b>Name</b> | <b>Date of Event</b> | <b>Reason</b> |
|----------------|-------------|----------------------|---------------|
|----------------|-------------|----------------------|---------------|

|    |                          |              |   |
|----|--------------------------|--------------|---|
| 1. | Mr. Rajesh Kumar Sodhani | May 30, 2023 | Change in current designation as Managing Director  |
| 2. | Mr. Sanjay Bhatia        | May 30, 2023 | Appointed as COO                                    |
| 3. | Ms. Deepti Maheshwari    | May 30, 2023 | Appointed as the Chief Financial Officer            |
| 4. | Mrs. Monika Agarwal      | May 30, 2023 | Appointed as Company Secretary & Compliance Officer |

#### **EMPLOYEES STOCK OPTION SCHEME**

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as on the date of filing of this Draft Prospectus.

#### **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except as stated in this Draft Prospectus and any statutory payments made by our Company, no non- salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company’s officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled “Restated Financial Information” beginning on page 139of this Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoters.

#### **ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled “History and Certain Other Corporate Matters” beginning on page 113of this Draft Prospectus.

#### **ATTRITION OF KEY MANAGERIAL PERSONNEL**

There is no attrition of Key Managerial Personnel in our Company compared to the Industry.

#### **EMPLOYEES**

The details about our employees appear under the Paragraph titled —Human Resource in Chapter Titled “Our Business” beginning on page 94of this Draft Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters:

Mr. Rajesh Kumar Sodhani, Mrs. Priya Sodhani and Rajesh Kumar Sodhani HUF are the Promoters of our Company. As on the date of this Draft Prospectus, our Promoters hold 47, 23,600 Equity shares of our Company. Our Promoter and Promoter Group will continue to hold the majority of the post-offer paid-up Equity Share Capital of our Company.

### Individual Promoters

|   |   |   |
|---|---|---|
|   | <b>Rajesh Kumar Sodhani –Managing Director</b>                        |   |
|   | <b>Qualification</b>  | Master of Business Administration (MBA) in Finance from Mewar University  |
|   | <b>Age</b>  | 53 Years  |
|   | <b>Date of Birth</b>  | September 26, 1970  |
|   | <b>Address</b>  | Flat no. B 1402/1403, Melodia by Purple group, Kuber complex, 5, Gandhipath, Acharya Vinoba Bhawe nagar, Jaipur, Rajasthan-302021   |
|   | <b>Experience</b>   | 32 Years  |
|   | <b>Occupation</b>   | Business  |
|   | <b>PAN No.</b>  | ANVPS7354R  |
|   | <b>No. of Equity Shares held &amp; % of Shareholding (Pre-Offer)</b>  | 18,37,500 Equity Shares aggregating to 38.89% of Pre-Offer Paid up Share Capital  |
|   | <b>Other Interests</b>  | <ul style="list-style-type: none"> <li>▪ Sodhani Capital Private Limited</li> <li>▪ Sodhani Trading Company</li> <li>▪ Sodhani Research and Marketing</li> <li>▪ Sodhani Financial Services</li> <li>▪ Rajesh Kumar Sodhani HUF</li> <li>▪ Kailash Chandra Sodhani HUF</li> <li>▪ Rajesh Kumar Sodhani- Proprietary ship</li> </ul> |
|  | <b>Priya Sodhani – Chairperson and Non-Executive Director</b>         |   |
|   | <b>Qualification</b>  | Bachelor of Arts from Gorakhpur University  |
|   | <b>Age</b>  | 45 Years  |
|   | <b>Date of Birth</b>  | January 08, 1978  |
|   | <b>Address</b>  | Flat no. B 1402/1403, Melodia by Purple group, Kuber complex, 5, Gandhipath, Acharya Vinoba Bhawe nagar, Jaipur, Rajasthan-302021   |
|   | <b>Experience</b>   | 15 Years  |
|   | <b>Occupation</b>   | Business  |
|   | <b>PAN No.</b>  | AOCPS5615M  |
|   | <b>No. of Equity Shares held &amp; % of Shareholding (Pre- Offer)</b> | 14,87,500 Equity Shares aggregating to 31.48% of Pre-Offer Paid up Share Capital  |
|   | <b>Other Interests</b>  | <ul style="list-style-type: none"> <li>▪ Sodhani Capital Private Limited</li> <li>▪ Sodhani Research and Marketing</li> <li>▪ Rajesh Kumar Sodhani HUF</li> <li>▪ Priya Sodhani- Proprietary ship</li> </ul>  |

For brief biography of our Individual Promoter, please refer to Chapter titled “Our Management” beginning on page 116 of this draft prospectus.

### ***Corporate Promoter***

#### **Rajesh Kumar Sodhani (HUF)**

Rajesh Kumar Sodhani (HUF), came into existence on 29 August 1998. Rajesh Kumar Sodhani is the Karta, Priya Sodhani, Ritika Sodhani, Aastha Sodhani and Vansh Sodhani are the coparceners.

The present business of Rajesh Kumar Sodhani (HUF) is investment and trading in securities and shares.

PAN: AAJHR6080C

Address: C 373, First Floor, C Block Vaishali Nagar, Jaipur-302021.

As on the date of this Draft Prospectus, Rajesh Kumar Sodhani (HUF) holds 13,98,600 Equity Shares, representing 29.60% of the Pre-Offer Paid up Share Capital of the Company.

*For capital build up details of our Corporate Promoter, please refer to Chapter titled “Capital Structure” beginning on page 52 of this Draft Prospectus.*

### **Confirmations/Declarations**

In relation to our Promoters, Mr. Rajesh Kumar Sodhani, Mrs. Priya Sodhani and Rajesh Kumar Sodhani HUF, our Company confirms that the PAN, bank account number, passport number, Aadhaar card number and driving license number shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus.

### **Interest of our Promoters**

#### **Interest in promotion of Our Company:**

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Prospectus, Our Promoters, Mr. Rajesh Kumar Sodhani, Mrs. Priya Sodhani and Rajesh Kumar Sodhani HUF hold 47,23,600 Equity Shares in our Company i.e., 99.97% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of appointment and reimbursement of expenses payable to them, if any. For details regarding the shareholding of our Promoters in our Company, please see “*Capital Structure*” on page 53 of this Draft Prospectus.

#### **Interest in the property of Our Company:**

Except as disclosed in Draft Prospectus, our Promoters do not have any other interest in any property acquired/rented by our Company in a period of three years before filing of this Draft Prospectus or proposed to be acquired by us as on date of Draft Prospectus

#### **In transactions for acquisition of land, construction of building and supply of machinery**

None of our Promoters or directors are interested in any transaction for the acquisition of land, construction of building or supply of machinery.

#### **Other Interests in our Company**

Our Company has entered a rent agreement dated May 09, 2023 with our Promoter Mr. Rajesh Kumar Sodhani for using our Registered office situated at P No. C 373, First Floor, C Block, Vaishali Nagar, Jaipur-302021 Rajasthan, India for consideration of ₹ 1,00,000 per month.

For other monetary transactions entered in past please refer *Annexure – 25* on “*Restated Statement of Related Party Transactions*” forming part of “*Financial Information of the Company*” on page 139 of this Draft Prospectus.

### **Payment or Benefits to our Promoters and Promoter Group during the last 2 years:**

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph **“Compensation of our Managing Director”** in the chapter titled **“Our Management”** beginning on page 116 also refer Annexure 25 on **“Restated Statement of Related Party Transactions”** forming part of **“Financial Information of the Company”** on page 139 and Paragraph on **“Interest of Promoter”** in chapter titled **“Our Promoters and Promoter Group”** on page 133 of this Draft Prospectus.

**Companies/Firms with which our Promoters has disassociated in the last (3) three years**

Except as mentioned below, our promoters have not disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Draft Prospectus.

| <b>Name</b>              | <b>Name of the Company</b>      | <b>Date of disassociation</b> | <b>Reasons and circumstances of disassociation</b> |
|--------------------------|---------------------------------|-------------------------------|--|
| Mr. Rajesh Kumar Sodhani | Sodhani Capital Private Limited | December 21, 2021             | Resignation from directorship                      |

**Other ventures of our Promoters**

Save and except as disclosed in this section titled **“Our Promoters & Promoter Group”** beginning on page 133 of this Draft Prospectus, there are no other ventures, in which our Promoters has any business interests/ other interests.

**Defunct / Strike-off Company**

Our Promoters are or were not associated with the companies that were strike off with ROC in the past.

**Litigation details pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled **“Outstanding Litigations and Material Developments”** beginning on page 178 of this Draft Prospectus.

**Material guarantees given to third parties by the promoters with respect to specified securities of the issuer**

There are no Material guarantees given to any third parties by the promoters with respect to specified securities of the issuer.

**Experience of Promoters in the line of business**

Our Promoters have an aggregate experience of more than two decades in the finance domain in the field of mutual fund, retirement planning, savings, investments and insurance

**Related Party Transactions**

For the transactions with our Promoter Group, please refer to section titled **“Annexure – 25, Restated Statement of Related Party Transactions”** forming part of **“Financial Information of the Company”** on page 139 of this Draft Prospectus

**OUR PROMOTER GROUP**

**1. Natural Persons who are part of the Individual Promoter Group**

As per Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, the natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

| <b>Relationship</b> | <b>Name of the Relatives</b> |                             |
|---------------------|------------------------------|-----------------------------|
|                     |                              | <b>Rajesh Kumar Sodhani</b> |

|                         |  |  |
|-------------------------|--|--|
| <b>Father</b>           | Kailash Chandra Sodhani                    | Late Arun Kumar Malani                     |
| <b>Mother</b>           | Ganga Devi Sodhani                         | Urmila Malani                              |
| <b>Spouse</b>           | Priya Sodhani                              | Rajesh Kumar Sodhani                       |
| <b>Brother</b>          | Mahesh Kumar Sodhani, Suresh Kumar Sodhani | Amit Kumar Malani, Sumit Malani            |
| <b>Sister</b>           | --   | Chhavi Malani                              |
| <b>Son</b>              | Vansh Sodhani                              | Vansh Sodhani                              |
| <b>Daughter</b>         | Ritika Sodhani, Aastha Sodhani             | Ritika Sodhani, Aastha Sodhani             |
| <b>Spouse's Father</b>  | Late Arun Kumar Malani                     | Kailash Chandra Sodhani                    |
| <b>Spouse's Mother</b>  | Urmila Malani                              | Ganga Devi Sodhani                         |
| <b>Spouse's Brother</b> | Amit Kumar Malani, Sumit Malani            | Mahesh Kumar Sodhani, Suresh Kumar Sodhani |
| <b>Spouse's Sister</b>  | Chhavi Malani                              | --   |

## 2. Companies related to our Corporate Promoter: Not Applicable

| Nature of Relationship   | Name of Entities |
|--|------------------|
| Subsidiary or holding company of Corporate Promoter  | Nil              |
| 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). | Nil              |

## 3. Entities forming part of the Promoter Group\*

**As per Regulation 2(1) (pp) (iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:**

- Sodhani Capital Private Limited
- Sodhani Trading Company
- Sodhani Research and Marketing
- Sodhani Financial Services
- Kailash Chandra Sodhani HUF
- Rajesh Kumar Sodhani- Proprietary ship
- Priya Sodhani- Proprietary ship

\* Our promoters Mr. Rajesh Kumar Sodhani and Mrs. Priya Sodhani have entered into a share purchase agreement dated May 15, 2023 for acquisition of 4, 81,000 equity shares of face value ₹ 10 each representing 70.65% of the fully paid-up equity share capital of "Oasis Securities Limited" listed on BSE Limited. Further to such acquisition, our promoters ("the acquirers") are in the process of an open offer made to all the public shareholders of the aforesaid company. In regard to the aforesaid our promoters ("the acquirers") have made public announcement dated May 15, 2023, detailed public statement dated May 22, 2023 and draft letter of offer dated May 29, 2023. SEBI wide its letter dated July 26, 2023 granted approval to the letter of offer dated May 29, 2023. Further, wide its letter dated August 4, 2023, SEBI has granted extension of time to proceed with the open offer formalities pending receipt of the RBI approval. Approval from RBI is pending to be received as on date of this draft prospectus.

### **OUR GROUP COMPANY**

The definition of 'Group Companies' as per the SEBI ICDR Regulations, shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which Financial Statements is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated June 01, 2023 our Group Companies includes:

(i) Companies with which there were related party transactions, during the period for which financial information is disclosed in Draft Prospectus/ Prospectus, as covered under the applicable accounting standards and

(ii) Such company forms part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI Regulations; and Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 5% of annual consolidated turnover of the company.

Accordingly, based on the parameters outlined above, our Company does not have any group company as on the date of this Draft Prospectus.

### **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. There are no dividends declared by our Company since incorporation.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion



## SECTION VII – FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENTS

To,

**The Board of Directors,  
Sodhani Academy of Fintech Enablers Limited  
(formerly known as Sodhani Financial Consultants Limited)  
P No. C 373, First Floor, C Block Vaishali Nagar,  
Jaipur-302021, Rajasthan, India**

Dear Sir

1. We have examined attached Restated Statement of Assets and Liabilities of Sodhani Academy of Fintech Enablers Limited ('the Company') formerly known as Sodhani Financial Consultants Private Limited which comprise the Balance Sheet as at November 30, 2023, March 31, 2023, March 31, 2022 And March 31, 2021 Restated statement of Profit & loss and Restated Statement of Cash flow statement for the period/years ended at November 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 annexed to this report for the purpose of inclusion of draft prospectus and/or prospectus prepared by the company (collectively the "**Restated Summary Statement**" or "**Restated Financial Statement**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with its proposed SME initial Public Offerings (IPO) of Equity Shares ("SME IPO") on relevant Stock Exchange.
2. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI")
  - (iii) The Guidance Note on Reports in Company Prospectus (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 Financial Information for the purpose of inclusion in the Draft Offer Document/ Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Mumbai in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation of the Restated Financial Information. The Board of Directors responsibility includes designing implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.
4. We, J C Kabra & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds the peer review certificate dated October 22, 2021 and valid till October 31, 2024. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us
5. We have examined such restated financial statements taking into consideration:
  - (i) The terms of reference and terms of our engagement agreed upon with you in accordance with our letter dated July 05 ,2023 in connection with the Draft Offer Document/ Offer Document being issued by the Company for its proposed Initial Public Offering of equity shares on relevant stock exchange ("IPO" or "SME IPO"); and

- (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“Guidance Note”). The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
  - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - (iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
6. These Restated Financial Statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on as at November 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 which has been approved by the Board of Directors. The Opening Balance of Reserve and Surplus has been extracted from the Closing Balance of Reserve and Surplus from Restated Financials of 2019-20 of the Company.
7. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
- a) Using consistent accounting policies for all the reporting periods.
  - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate
  - c) There are no extra-ordinary items other than those appearing in financials that need to be disclosed separately in the accounts and requiring adjustments.
  - d) There are no audit qualifications in the audit reports issued by the us for the period ended November 30, 2023 and year ended March 31,2023, and the statutory auditor for the period ended March 31, 2022 and March 31, 2021 whose report we have considered in the restated financial statement which would require adjustments in these restated financial statements of the Company
8. Audit for the period ended November 30, 2023 and year ended March 31,2023 was conducted by us, whereas audit for March 31, 2022 and March 31, 2021 were conducted by D Jain & Co. The financial report included for these periods is based solely on the report submitted by D Jain & Co. for March 31, 2022 and March 31, 2021.
9. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period/years ended on November 30, 2023, March 31, 2023, 2022 and 2021 proposed to be included in the Draft Offer Document/ Offer Document.

Annexure to restated financial statements of the Company:

1. Restated statement of assets and liabilities, as restated;
2. Restated statement of profit and loss, as restated;
3. Restated statement of cash flow as restated;
4. Restated significant accounting policies and notes to accounts;
5. Share capital as restated;
6. Reserves and surplus as restated;
7. Short-term borrowings as restated;
8. Trade payables as restated;
9. Other current liabilities as restated;
10. Short-term provisions as restated;
11. Property, Plant & Equipment as restated;
12. Non-current investment as restated;
13. Other Non-current Assets restated;
14. Current Investment
15. Trade receivables as restated;
16. Cash & cash equivalents as restated;
17. Short-term loans & advances as restated;
18. Other current assets as restated;
19. Revenue from operations as restated;

20. Other income as restated;
  21. Employees benefit expenses as restated;
  22. Finance cost as restated;
  23. Other expenses as restated;
  24. Earning per share (EPS) as restated;
  25. Related party transactions as restated;
  26. Tax shelter as restated;
  27. Deferred Tax Assets as restated;
  28. Statement of accounting ratios & additional Information as restated,
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein
  11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  12. In our opinion, the above financial information contained in Annexure 1 to 27 of this report read with the respective significant accounting policies and notes to restated summary statements as set out in Annexure 4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
  13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Offer Document/ Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our 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 J C KABRA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration Number: 115749W**

**CA VIKASH KUMAR SOMANI**  
**Partner**  
**Membership Number: 137012**  
**UDIN:23137012BGPQXV7842**  
**Place: Jaipur**  
**Date: December 27, 2023**

**Restated Statements of Assets and Liabilities (Annexure 1)**

(₹ in Lakhs)

| Particulars                             | Notes | As at<br>November<br>30th, 2023 | As at<br>March 31st,<br>2023 | As at<br>March<br>31st, 2022 | As at<br>March<br>31st, 2021 |
|---|-------|---------------------------------|------------------------------|------------------------------|------------------------------|
| <b><u>I. EQUITY AND LIABILITIES</u></b> |       |                                 |                              |                              |                              |
| <b>(1) Shareholder's Fund</b>           |       |                                 |                              |                              |                              |
| (a) Share Capital                       | 4     | 472.50                          | 135.00                       | 27.00                        | 9.00                         |
| (b) Reserves & Surplus                  | 5     | 90.67                           | 341.85                       | 311.25                       | 52.34                        |
| <b>Total Shareholder's Fund</b>         |       | <b>563.17</b>                   | <b>476.85</b>                | <b>338.25</b>                | <b>61.34</b>                 |
| <b>(2) Non-Current Liabilities</b>      |       |                                 |                              |                              |                              |
| <b>(3) Current Liabilities</b>          |       |                                 |                              |                              |                              |
| (a) Short Term Borrowings               | 6     | -                               | 2.65                         | 4.10                         | 0.50                         |
| (b) Trade payable                       | 7     | 4.83                            | -                            | -                            | -                            |
| (c) Other Current Liabilities           | 8     | 10.30                           | 21.57                        | 11.88                        | -                            |
| (d) Short term Provisions               | 9     | 2.31                            | 0.50                         | 8.97                         | 5.33                         |
| <b>Total Current Liabilities</b>        |       | <b>17.44</b>                    | <b>24.72</b>                 | <b>24.95</b>                 | <b>5.83</b>                  |
| <b>Total Equity and Liabilities</b>     |       | <b>580.62</b>                   | <b>501.57</b>                | <b>363.20</b>                | <b>67.17</b>                 |
| <b><u>II. ASSETS</u></b>                |       |                                 |                              |                              |                              |
| <b>(1) Non-Current Assets</b>           |       |                                 |                              |                              |                              |
| (a) Property, Plant and Equipments      | 10    | 59.45                           | 64.45                        | 44.91                        | 44.92                        |
| (b) Non Current Investments             | 11    | 328.21                          | 168.46                       | 38.00                        | -                            |
| (c) Deferred tax assets                 | 25(b) | 0.91                            | 3.71                         | 0.80                         | 0.04                         |
| (d) Other non current assets            | 12    | -                               | -                            | 18.45                        | 18.96                        |
| <b>Total Non-Current Assets</b>         |       | <b>388.56</b>                   | <b>236.62</b>                | <b>102.16</b>                | <b>63.92</b>                 |
| <b>(2) Current Assets</b>               |       |                                 |                              |                              |                              |
| (a) Current Investments                 | 13    | 149.78                          | 133.06                       | 94.03                        | 0.70                         |
| (b) Trade Receivables                   | 14    | 2.76                            | 29.00                        | -                            | -                            |
| (c) Cash and Cash Equivalents           | 15    | 21.59                           | 51.98                        | 158.13                       | 1.66                         |
| (d) Short Term Loans & Advances         | 16    | 8.51                            | 40.72                        | 5.81                         | -                            |
| (e) Other Current Assets                | 17    | 9.41                            | 10.19                        | 3.07                         | 0.90                         |
| <b>Total Current Assets</b>             |       | <b>192.06</b>                   | <b>264.95</b>                | <b>261.04</b>                | <b>3.26</b>                  |
| <b>Total Assets</b>                     |       | <b>580.62</b>                   | <b>501.57</b>                | <b>363.20</b>                | <b>67.17</b>                 |

See accompanying notes to the restated financial information.

**Restated Statement of Profit and Loss (Annexure 2)**

(₹ in Lakhs)

| Particulars   | Notes | Period ended<br>November<br>30th, 2023 | Year ended<br>March 31st,<br>2023 | Year<br>ended<br>March<br>31st, 2022 | Year ended<br>March 31st,<br>2021 |
|---|-------|--|-----------------------------------|--------------------------------------|-----------------------------------|
| I. Revenue from Operations  | 18    | 92.56                                  | 137.58                            | 185.89                               | 15.14                             |
| II. Other Income  | 19    | 47.53                                  | 65.87                             | 2.30                                 | 10.15                             |
| <b>III. Total Income (I+II)</b>                                   |       | <b>140.09</b>                          | <b>203.45</b>                     | <b>188.19</b>                        | <b>25.29</b>                      |
| <b>IV. Expenses</b>   |       |  |                                   |                                      |                                   |
| Employee Benefits Expenses  | 20    | 14.64                                  | 12.18                             | 1.50                                 | -                                 |
| Finance Costs   | 21    | -                                      | 0.01                              | 0.01                                 | -                                 |
| Other Expenses  | 22    | 14.51                                  | 15.82                             | 13.28                                | 0.29                              |
| <b>Total Expenses</b>   |       | <b>29.15</b>                           | <b>28.01</b>                      | <b>14.80</b>                         | <b>0.29</b>                       |
| <b>Profit Before Tax</b>  |       | <b>110.94</b>                          | <b>175.44</b>                     | <b>173.40</b>                        | <b>25.00</b>                      |
| <b>Income Tax Expense</b>   |       |  |                                   |                                      |                                   |
| Current Year  |       | 21.82                                  | 41.81                             | 50.25                                | 6.53                              |
| Earlier Year  |       | -                                      | (2.06)                            | -                                    | 15.42                             |
| Deferred tax  |       | 2.80                                   | (2.91)                            | (0.76)                               | (0.04)                            |
| <b>Profit After Tax</b>   |       | <b>86.33</b>                           | <b>138.60</b>                     | <b>123.91</b>                        | <b>3.08</b>                       |
| <b>Earnings per equity share of face value<br/>of Rs. 10 each</b> |       |  |                                   |                                      |                                   |
| Basic EPS (In Rs.) (not annualized)                               | 23    | 1.83                                   | 2.93                              | 10.42                                | 0.26                              |
| Diluted EPS (In Rs.) (not annualized)                             |       | 1.83                                   | 2.93                              | 10.42                                | 0.26                              |

See accompanying notes to the restated financial information.

**Restated Cash Flow Statement (Annexure 3)**

(₹ in Lakhs)

| Particulars   | Period ended<br>November<br>30th, 2023 | Year ended<br>March 31st,<br>2023 | Year ended<br>March 31st,<br>2022 | Year<br>ended<br>March<br>31st, 2021 |
|---|--|-----------------------------------|-----------------------------------|--------------------------------------|
| <b>A</b><br>: <b>Cash Flow from Operating Activities:</b>                   |  |                                   |                                   |                                      |
| Net Profit Before Tax as per Statement of Profit & Loss                     | 110.94                                 | 175.44                            | 173.40                            | 25.00                                |
| Adjusted for:   |  |                                   |                                   |                                      |
| Profit on Sale of Assets (net)  | (9.00)                                 | -                                 | -                                 | (10.11)                              |
| (Gain)/loss on investment   | (11.13)                                | 14.72                             | 2.87                              | 0.11                                 |
| Dividend  | (1.50)                                 | (2.16)                            | (0.26)                            | (0.04)                               |
| Interest Income   | (0.99)                                 | (5.21)                            | (0.36)                            | -                                    |
| <b>Operating Profit before Working Capital Changes</b>                      | <b>88.32</b>                           | <b>182.79</b>                     | <b>175.65</b>                     | <b>14.96</b>                         |
| <b>Changes in working capital:</b>  |  |                                   |                                   |                                      |
| Trade and Other Receivables   | 26.24                                  | (29.00)                           | -                                 | -                                    |
| Other Current assets  | 0.78                                   | (7.12)                            | (2.17)                            | (14.88)                              |
| Trade Payable   | 4.83                                   | -                                 | -                                 | -                                    |
| Short Term Loans and Advances   | 32.21                                  | (34.91)                           | (5.81)                            | -                                    |
| Other Current Liabilities   | (11.27)                                | 9.69                              | 11.88                             | -                                    |
| Short Term Provisions   | 1.81                                   | (8.47)                            | 3.64                              | 5.33                                 |
| <b>Cash Generated from Operations</b>                                       | <b>142.92</b>                          | <b>112.98</b>                     | <b>183.19</b>                     | <b>5.41</b>                          |
| Taxes Paid (net)  | (21.82)                                | (41.81)                           | (50.25)                           | (14.54)                              |
| <b>Net Cash from / (Used in) Operating Activities</b>                       | <b>121.10</b>                          | <b>71.17</b>                      | <b>132.94</b>                     | <b>(9.13)</b>                        |
| <b>B</b><br>: <b>Cash Flow From Investing Activities:</b>                   |  |                                   |                                   |                                      |
| Purchase/(disposal) of Property, Plant and Equipments                       | 14.00                                  | (19.54)                           | -                                 | 17.54                                |
| Non Current investment  | (159.74)                               | (130.46)                          | (38.00)                           | (0.55)                               |
| Current investment  | (5.60)                                 | (33.23)                           | (95.70)                           | (6.69)                               |
| Dividend  | 1.50                                   | 2.16                              | 0.26                              | 0.04                                 |
| Interest Income   | 0.99                                   | 5.20                              | 0.36                              | -                                    |
| <b>Net Cash from / (Used in) Investing Activities</b>                       | <b>(148.84)</b>                        | <b>(175.88)</b>                   | <b>(133.08)</b>                   | <b>10.33</b>                         |
| <b>C</b><br>: <b>Cash Flow From Financing Activities:</b>                   |  |                                   |                                   |                                      |
| Securities Premium  | -                                      | -                                 | 135.00                            | -                                    |
| Proceeds from Issue of Equity Shares  | -                                      | -                                 | 18.00                             | -                                    |
| Short Term Borrowings (net)   | (2.65)                                 | (1.45)                            | 3.60                              | -                                    |
| Finance Costs   | -                                      | 0.01                              | 0.01                              | -                                    |
| <b>Net Cash from / (Used in) Financing Activities</b>                       | <b>(2.65)</b>                          | <b>(1.44)</b>                     | <b>156.61</b>                     | <b>-</b>                             |
| <b>D</b><br>: <b>Net (Decrease) / Increase in Cash and Cash Equivalents</b> | <b>(30.39)</b>                         | <b>(106.15)</b>                   | <b>156.47</b>                     | <b>1.20</b>                          |
| <b>E</b><br>: <b>Opening Balance of Cash and Cash Equivalents</b>           | <b>51.98</b>                           | <b>158.13</b>                     | <b>1.66</b>                       | <b>0.46</b>                          |
| <b>F</b><br>: <b>Closing Balance of Cash and Cash Equivalents</b>           | <b>21.59</b>                           | <b>51.98</b>                      | <b>158.13</b>                     | <b>1.66</b>                          |

**Reconciliation of cash and cash equivalents as per the cash flow statement**

Cash and cash equivalents as per the above comprise of the following:

|  |              |              |               |             |
|--|--------------|--------------|---------------|-------------|
| Cash on Hand                                     | 0.15         | 0.22         | 0.32          | 0.13        |
| Balances with Banks in Current Accounts          | 21.44        | 51.76        | 157.81        | 1.53        |
| <b>Cash and Cash Equivalents [Refer note 15]</b> | <b>21.59</b> | <b>51.98</b> | <b>158.13</b> | <b>1.66</b> |

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|   |              |              |               |             |
|---|--------------|--------------|---------------|-------------|
| <b>Cash and Cash Equivalents for the purpose of above statement of cash flows</b> | <b>21.59</b> | <b>51.98</b> | <b>158.13</b> | <b>1.66</b> |
|---|--------------|--------------|---------------|-------------|

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**Note 1)** The Cash Flow Statement has been prepared under the "Indirect Method" as set out in AS 3, Issued by Institute of Chartered Accountants of India

**Note 2)** Figures in bracket indicate cash outflow.

## 1 Company Information

SODHANI ACADEMY OF FINTECH ENABLERS LIMITED (Previously known as Sodhani Financial Consultants Private Limited) ("the Company") was incorporated as a private limited company on February 3, 2009 under the provision of the Companies Act, 1956 with the Registrar of Companies, Rajasthan. Thereafter, the company was converted from private limited to public limited vide fresh certificate of incorporation dated April 10, 2023 issued by the Registrar of Companies, Jaipur, Rajasthan. The company is engaged in the business of training & learning. The registered office of the Company is situated at Plot no C- 373, First Floor, C Block, Vaishali Nagar, Jaipur, Rajasthan - 302021.

## 2 BASIS OF PREPARATION AND MEASUREMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The Restated Financial Information relates to the Company and has been specifically prepared for inclusion in the document to be filed by the Company with the Stock Exchange, Securities and Exchange Board of India ("SEBI"), as the case may be in connection with the proposed Initial Public Offer ('IPO') of equity shares of the Company (referred to as the "Issue"). The Restated Financial Information comprise of the Restated Balance Sheet as at November 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Statement of Profit and Loss , the Restated Cash Flow Statement, for the financial period/year ended November 30, 2023, March 31, 2023, March 31, 2022, and March 31, 2021 (hereinafter collectively referred to as "Restated Financial Information").

The Restated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Restated Financial Information has been compiled by the Management from the audited financial statements of the Company for the period/years ended November 30th, 2023, March 31st, 2023, March 31st, 2022, and March 31st, 2021, and approved by the respective Board of Directors of the company.

The preparation of these financial information in conformity with Indian GAAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or area where assumptions and estimates are significant to these financial statements are disclosed in notes to the financial statements.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including investments), defined benefit plans, plan assets and share-based payments.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013.

The Restated Financial Statements are presented in Rs. lakhs, except when otherwise indicated.

### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences



between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

### **2.3 Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on the current/non-current classification

An asset is treated as current when:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Current assets include the current portion of non-current financial assets. The Company classifies all other assets as non-current. A liability is treated current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current liabilities include current portion of non-current financial liabilities. The Company classifies all other

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

### **2.4 Investments**

Current investments are carried at lower of cost and quoted/ fair market value, compared investment wise. Long term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than a temporary.

### **2.5 Property, plant and equipment**

- (i) All property, plant and equipment are stated at original cost of acquisition/installation (net of input credits availed) less accumulated depreciation and impairment loss, if any, except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight and other incidental expenses that are directly attributable to bringing the asset to its working condition for the intended use and estimated cost for decommissioning of an asset.
- (ii) Subsequent expenditure is capitalized only if it is probable that the future economic benefit associated with the expenditure will flow to the Company.

### **2.6 Impairment of Assets**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an Impairment Loss and is recognized in statement of profit and loss. If at the balance sheet date there is an indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment loss been recognized.

### **2.7 Cash and cash equivalents**

- (i) Cash and cash equivalents in the balance sheet comprise cash at bank and on hand, short-term deposit with original

maturity upto three months and fixed deposit with sweep in mode which are subject to insignificant risk of changes in value.

- (ii) For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft as they are considered as an integral part of Company's cashmanagement.

## **2.8 Revenue recognition**

Revenue from operations is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the accounting year.

### **(i) Sale of services**

Revenue is measured at the fair value of the consideration received or receivable for services rendered, net of discounts to customers. Revenue from the services is recognized when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of services, in the period in which such services are rendered.

### **(ii) Other income**

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rate. Dividend income is accounted for when the right to receive is established.

## **2.9 Taxes on Income**

The tax expense for the period, comprising of the current tax and deferred tax is included in determining the net profit for the year. Provision for the current tax is based on tax liability computed in accordance with relevant tax rates and tax laws. Provision for deferred tax is made for all timing differences arising between taxable incomes and accounting income at rates that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized only if there is a certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

## **2.10 Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during all the period presented. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during all the period presented are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

## **2.11 Provisions, contingent liabilities and contingent assets**

- (i) Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.
- (ii) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.
- (iii) Contingent assets are not recognized, but disclosed in the Financial Statements where an inflow of economic benefit is probable.

## **2.12 Borrowing Costs**

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities.

### 2.13 Equity

Share capital is determined using the nominal value of shares that are issued. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

Retained earnings include all current and prior period results, as disclosed in the statement of profit and loss.

Securities premium includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from Securities premium, net of any related income tax benefits.

### 2.14 Previous Year Comparatives

The figures for the previous year have been regrouped, reworked, rearranged and reclassified wherever necessary to make them comparable to those for the current year.

**2.15** Balance shown under the heading sundry creditor for goods, expenses & others, Sundry debtor, other current assets and advances to suppliers are subject to confirmations. Necessary adjustments, if any will be made when the accounts are reconciled and settled.

**2.16** In the opinion of the management there is no such events occurred after the date of balance sheet, which needs disclosures in these accounts.

**2.17** Cash balances has been taken as valued and certified by the management.

### 2.18 Segment Reporting

The company's business segment is 'Training and Learning and principal geographical segment is 'India'. Accordingly, no separate disclosure is required to be made under Accounting Standard 17, Segment Reporting.

## 3 MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT (Annexure 4)

### 3.1 Material Adjustment

The Summary of results of restatement made in the Audited Financial Statement for the respective period and its impact on profit & loss of the Company as follows:

(₹ in Lakhs)

| Particulars  | As at November<br>30th, 2023 | As at March<br>31st, 2023 | As at March 31st,<br>2022 | As at March<br>31st, 2021 |
|--|------------------------------|---------------------------|---------------------------|---------------------------|
| <b>Net profit after Tax as per Audited Profit &amp; Loss Account</b> | 86.33                        | 138.60                    | 125.91                    | 3.16                      |
| <b>Adjustments for:</b>  |                              |                           |                           |                           |
| Valuation of investment as per AS-13                                 | -                            | -                         | -2.76                     | -0.11                     |
| Deferred tax on above  | -                            | -                         | 0.76                      | 0.04                      |
| <b>Net Profit After Tax as Restated</b>                              | <b>86.33</b>                 | <b>138.60</b>             | <b>123.91</b>             | <b>3.08</b>               |

**3.2 Reconciliation Statement between Restated Reserve & Surplus affecting Equity due to Adjustment made in Restated Financial Statements:**

(₹ in Lakhs)

| Adjustment for                                      | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|---|---------------------------|------------------------|------------------------|------------------------|
| <b>Equity / Net worth as per Audited Financials</b> | 563.17                    | 476.85                 | 340.32                 | 61.42                  |
| <b>Adjustments for:</b>                             |                           |                        |                        |                        |
| Valuation of investment as per AS-13                | -                         | -                      | -2.87                  | -0.11                  |
| Deferred tax on above                               | -                         | -                      | 0.80                   | 0.04                   |
| <b>Equity/Net Worth as Restated</b>                 | <b>563.17</b>             | <b>476.85</b>          | <b>338.25</b>          | <b>61.34</b>           |

**3 Restated Statement of Accounting Ratios:**

| Financial Ratios                              | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 | Reason for movements   |
|---|---------------------------|------------------------|------------------------|------------------------|--|
| <b>Current Ratio (a/b)</b>                    | <b>11.01</b>              | <b>2.14</b>            | <b>3.08</b>            | <b>0.54</b>            | Due to liquidity, further investment and profitability the current ratio has been impacted                                   |
| Current Assets {a}                            | 192.06                    | 178.41                 | 210.21                 | 3.81                   |  |
| Current Liabilities {b}                       | 17.44                     | 83.40                  | 68.15                  | 7.08                   |  |
| <b>Debt Equity Ratio {a/b}</b>                | <b>NA</b>                 | <b>0.01</b>            | <b>0.01</b>            | <b>0.01</b>            | The Company is currently debt free. So, this ratio is not applicable   |
| Total Debt {a}                                | -                         | 2.65                   | 4.10                   | 0.50                   |  |
| Total Equity {b}                              | 563.17                    | 476.85                 | 338.25                 | 61.34                  |  |
| <b>Debt Service Coverage Ratio {a/b}</b>      | <b>NA</b>                 | <b>41.35</b>           | <b>41.73</b>           | <b>29.69</b>           | The Company is currently debt free. So, this ratio is not applicable   |
| Net Operating Income {a}                      | 63.42                     | 109.57                 | 171.09                 | 14.85                  |  |
| Total Debt {b}                                | -                         | 2.65                   | 4.10                   | 0.50                   |  |
| <b>Return on Equity Ratio {a/b}</b>           | <b>0.15</b>               | <b>0.29</b>            | <b>0.37</b>            | <b>0.05</b>            | The Company's earning is increasing year by year. However with the increase in company equity ratio is marginally decreased. |
| Net Income {a}                                | 86.33                     | 138.60                 | 123.91                 | 3.08                   |  |
| Shareholder's Equity {b}                      | 563.17                    | 476.85                 | 338.25                 | 61.34                  |  |
| <b>Trade Receivables Turnover Ratio {a/b}</b> | <b>0.16</b>               | <b>2.00</b>            | -                      | -                      | Company generally have cash sales only. It's a healthy sign.   |
| Net Credit Sales {a}                          | 2.49                      | 29.00                  | -                      | -                      |  |
| Average Account Receivable {b}                | 15.88                     | 14.50                  | -                      | -                      |  |

|   |             |              |              |              |  |
|---|-------------|--------------|--------------|--------------|--|
| <b>Net Capital Turnover Ratio {a/b-c}</b> | <b>0.53</b> | <b>0.57</b>  | <b>0.79</b>  | <b>-5.89</b> | Though working capital has been increased, but turnover has not been increased in the same ratio. The reason being.          |
| Net Annual Sales {a}                      | 92.56       | 137.58       | 185.89       | 15.14        |  |
| Av. Current Assets {b}                    | 192.06      | 264.95       | 261.04       | 3.26         |  |
| Av. Current Liabilities {c}               | 17.44       | 24.72        | 24.95        | 5.83         |  |
| <b>Net Profit Ratio {a/b}</b>             | <b>0.93</b> | <b>1.01</b>  | <b>0.67</b>  | <b>0.20</b>  | There is negligible increase in margin in comparison to increase in turnover.  |
| Net Profit {a}                            | 86.33       | 138.60       | 123.91       | 3.08         |  |
| Net Sales {b}                             | 92.56       | 137.58       | 185.89       | 15.14        |  |
| <b>Return on capital employed {a/b}</b>   | <b>0.20</b> | <b>0.37</b>  | <b>0.51</b>  | <b>0.41</b>  | There is a decrease in return on Capital employed as profit is decreased and at the same time capital employed is increased  |
| Profit before Interest and Tax {a}        | 110.94      | 175.44       | 173.40       | 25.00        |  |
| Capital Employed {b}                      | 563.17      | 476.85       | 338.25       | 61.34        |  |
| <b>Return on Investment {a/b}</b>         | <b>7.00</b> | <b>16.20</b> | <b>-0.96</b> | <b>-9.22</b> | Return on investment has increased because the Company has made diversified investment after careful evaluation and analysis |
| Profit from investment {a}                | 25.93       | 45.45        | -0.93        | -0.07        |  |
| Cost of investment {b}                    | 370.40      | 280.56       | 96.90        | 0.81         |  |

#### 4 Share Capital

(Annexure 5)

(₹ in Lakhs)

| Particulars   | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|---|---------------------------|------------------------|------------------------|------------------------|
| Number of shares are in absolute number   |                           |                        |                        |                        |
| <b>Authorised Share Capital:</b>  |                           |                        |                        |                        |
| 70,00,000 Equity Share ( 30,00,000 equity shared in FY 2022-23 and FY 2021-22, 20,00,000 equity shares in FY 2020-21) of Rs.10 each | 700.00                    | 300.00                 | 300.00                 | 200.00                 |
| <b>Issued, Subscribed and Fully Paid up:</b>  |                           |                        |                        |                        |
| 13,50,000 Equity Shares ( 2,70,000 & 90,000 equity shares in FY 2022 & 2021) of Rs. 10 each   | 472.50                    | 135.00                 | 27.00                  | 9.00                   |
| <b>Total</b>  | <b>472.50</b>             | <b>135.00</b>          | <b>27.00</b>           | <b>9.00</b>            |

#### 4.1 The reconciliation of the number of shares outstanding is set out below:

| No. of Shares | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March |
|---------------|---------------------------|------------------------|------------------------|-------------|
|               |                           |                        |                        |             |

|   |                  |                  |                 | <b>31st, 2021</b> |
|---|------------------|------------------|-----------------|-------------------|
| Equity Shares at the beginning of the year                      | 13,50,000        | 2,70,000         | 90,000          | 90,000            |
| Add: Shares issued during the year (refer note(i) below)        | -                | -                | 1,80,000        | -                 |
| Add: Bonus Shares Issued during the year (refer note(ii) below) | 33,75,000        | 10,80,000        | -               | -                 |
| <b>Equity shares at the end of the year</b>                     | <b>47,25,000</b> | <b>13,50,000</b> | <b>2,70,000</b> | <b>90,000</b>     |

- (i) Pursuant to right issue, the Company has issued 1,80,000 shares of face value Rs.10 at a premium Rs.75 on 21/02/2022.
- (ii) Bonus shares was issued in the ratio of 4 shares for every 1 shares held. Total 10,80,000 bonus shares were issued during financial year 2022-23. No shares were bought back during the reporting period.

#### 4.2 Rights, Preferences and restrictions attached to Equity shares:

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### 4.3 The details of Shareholders holding more than 5% shares:

| Name of the Shareholder    | November 30th, 2023 | March 31st, 2023 | March 31st, 2022 | March 31st, 2021 |
|----------------------------|---------------------|------------------|------------------|------------------|
|                            | No. of Shares       | No. of Shares    | No. of Shares    | No. of Shares    |
|                            | % held              | % held           | % held           | % held           |
| Rajesh Kumar Sodhani (HUF) | 13,98,600           | 3,99,600         | 80,000           | 80,000           |
|                            | 29.60%              | 29.60%           | 29.63%           | 88.89%           |
| Rajesh Kumar Sodhani       | 18,37,500           | 5,25,000         | 1,05,000         | 5,000            |
|                            | 38.89%              | 38.89%           | 38.89%           | 5.56%            |
| Priya Sodhani              | 14,87,500           | 4,25,000         | 85,000           | 5,000            |
|                            | 31.48%              | 31.48%           | 31.48%           | 1.85%            |

#### 4.4 Shareholding of promoters and change therein

| Name of the Promoters                   | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|---|---------------------------|------------------------|------------------------|------------------------|
| <b>Rajesh Kumar Sodhani (HUF)</b>       |                           |                        |                        |                        |
| Number of shares held                   | 13,98,600                 | 3,99,600               | 80,000                 | 80,000                 |
| % of shares held                        | 29.60%                    | 29.60%                 | 29.63%                 | 88.89%                 |
| % change in shareholding from last year | 0.00%                     | -0.03%                 | 0.00%                  | 0.00%                  |
| <b>Rajesh Kumar Sodhani</b>             |                           |                        |                        |                        |
| Number of shares held                   | 18,37,500                 | 5,25,000               | 1,05,000               | 5,000                  |
| % of shares held                        | 38.89%                    | 38.89%                 | 38.89%                 | 5.56%                  |
| % change in shareholding from last year | 0.00%                     | 0.00%                  | 95.24%                 | 0.00%                  |
| <b>Priya Sodhani</b>                    |                           |                        |                        |                        |
| Number of shares held                   | 14,87,500                 | 4,25,000               | 85,000                 | 5,000                  |
| % of shares held                        | 31.48%                    | 31.48%                 | 31.48%                 | 5.56%                  |
| % change in shareholding from last year | 0.00%                     | 0.00%                  | 25.93%                 | 0.00%                  |

## 5 Reserves & Surplus (Annexure 6)

(₹ in Lakhs)

| Particulars                         | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|-------------------------------------|---------------------------|------------------------|------------------------|------------------------|
| <b>Securities Premium Account</b>   |                           |                        |                        |                        |
| Balance at beginning of the year    | 67.00                     | 175.00                 | 40.00                  | 40.00                  |
| Add: Security Premium on new shares | -                         | -                      | 135.00                 | -                      |
| Less: Bonus Shares Issued           | (67.00)                   | (108.00)               | -                      | -                      |
| <b>Balance at end of the year</b>   | <b>-</b>                  | <b>67.00</b>           | <b>175.00</b>          | <b>40.00</b>           |
| <b>Retained Earnings</b>            |                           |                        |                        |                        |
| Balance at beginning of the year    | 274.85                    | 136.25                 | 12.34                  | 9.26                   |
| Add: Profit / (Loss) for the year   | 86.33                     | 138.60                 | 123.91                 | 3.08                   |
| Less: Bonus Shares Issued           | (270.50)                  | -                      | -                      | -                      |
| <b>Balance at end of the year</b>   | <b>90.67</b>              | <b>274.85</b>          | <b>136.25</b>          | <b>12.34</b>           |
| <b>Total</b>                        | <b>90.67</b>              | <b>341.85</b>          | <b>311.25</b>          | <b>52.34</b>           |

## 6 Short Term Borrowings (Annexure 7)

(₹ in Lakhs)

| Particulars          | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|----------------------|---------------------------|------------------------|------------------------|------------------------|
| <b>Unsecured</b>     |                           |                        |                        |                        |
| From Related Parties |                           | 2.65                   | 4.10                   | 0.50                   |
| <b>Total</b>         | <b>-</b>                  | <b>2.65</b>            | <b>4.10</b>            | <b>0.50</b>            |

**Note 6.1:** Company has not availed any finance against security of current assets such as Cash credit, Bank overdraft or any such similar loans from banks / financial institutions against current assets.

**Note 6.2:** Related Parties who have advanced to the company

| Particulars           | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|-----------------------|---------------------------|------------------------|------------------------|------------------------|
| Priya Sodhani         |                           | -                      | -                      | 0.50                   |
| Rajesh Kumar Sodhani* |                           | 2.65                   | 4.10                   | -                      |
| <b>Total</b>          | <b>-</b>                  | <b>2.65</b>            | <b>4.10</b>            | <b>0.50</b>            |

**Note 6.2.1:** During FY 2022-23 bank has wrongly created FD in favour of Mr. Rajesh Sodhani of Rs 1.56 lakhs but before the signing of financials correction has not made by bank.

## 7 Trade Payable (Annexure 8)

(₹ in Lakhs)

| Particulars   | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|---------------|---------------------------|------------------------|------------------------|------------------------|
| Due to MSME   | -                         | -                      | -                      | -                      |
| Due to others | 4.83                      | -                      | -                      | -                      |
| <b>Total</b>  | <b>4.83</b>               | <b>-</b>               | <b>-</b>               | <b>-</b>               |

**Note 7.1:** There is no amount due to Micro, Small and Medium Enterprises as defined under "The Micro, Small and Medium Enterprise Development Act, 2006". The information has been determined to the extent such parties have

been identified on the basis of information available with the Company.

**Note 7.2:** Trade payable ageing Schedules as at November 30th, 2023:- Outstanding as at November 30th, 2023 from the due date of payment

| Particulars      | MSME     | Others      |
|------------------|----------|-------------|
| Not Due          | -        | 1.92        |
| Less than 1 year | -        | 2.91        |
| 1-2 year         | -        | -           |
| 2- 3 years       | -        | -           |
| More the 3 years | -        | -           |
| <b>Total</b>     | <b>-</b> | <b>4.83</b> |

**Note 7.3:** Company does not have any disputed trade payables to MSME and others.

#### 8 Other Current Liabilities (Annexure 9)

(₹ in Lakhs)

| Particulars                 | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|-----------------------------|---------------------------|------------------------|------------------------|------------------------|
| <b>Current</b>              |                           |                        |                        |                        |
| Advance from customers      | 0.20                      | -                      | 0.13                   | -                      |
| Statutory dues/liabilities* | 8.28                      | 13.53                  | 11.75                  | -                      |
| Employee benefits payables  | 1.82                      | 8.04                   | -                      | -                      |
| <b>Total</b>                | <b>10.30</b>              | <b>21.57</b>           | <b>11.88</b>           | <b>-</b>               |

\* Includes TDS Payable and GST Payable (net).

#### 9 Short Term Provisions (Annexure 10)

(₹ in Lakhs)

| Particulars              | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|--------------------------|---------------------------|------------------------|------------------------|------------------------|
| <b>Current</b>           |                           |                        |                        |                        |
| Provision for audit fees | 0.90                      | 0.50                   | 0.05                   | 0.05                   |
| Provision for income tax | 1.41                      | -                      | 8.92                   | 5.28                   |
| <b>Total</b>             | <b>2.31</b>               | <b>0.50</b>            | <b>8.97</b>            | <b>5.33</b>            |

#### 10 Property, Plant and Equipment's (Annexure 11)

(₹ in Lakhs)

| Particulars  | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|--------------|---------------------------|------------------------|------------------------|------------------------|
| Land/Plot    | 59.45                     | 64.45                  | 44.91                  | 44.92                  |
| <b>Total</b> | <b>59.45</b>              | <b>64.45</b>           | <b>44.91</b>           | <b>44.92</b>           |

#### 11 Non-Current Investments (Annexure 12)

(₹ in Lakhs)

| Particulars                            | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|--|---------------------------|------------------------|------------------------|------------------------|
| <b>Investments Measured at Cost</b>    |                           |                        |                        |                        |
| <b>Investments in Equity Shares :-</b> | <b>142.57</b>             | <b>132.77</b>          | <b>-</b>               | <b>-</b>               |
| Godavari Drugs Limited                 | 2.62                      | 2.62                   | -                      | -                      |



| Particulars                            | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|--|---------------------------|------------------------|------------------------|------------------------|
| Jeena Sikho Life                       | 29.37                     | 29.37                  | -                      | -                      |
| Piccadily Agro                         | 37.34                     | 28.62                  | -                      | -                      |
| Sarthak Metals                         | 3.41                      | 3.41                   | -                      | -                      |
| Shanthi Gears                          | 8.52                      | 7.44                   | -                      | -                      |
| Silly Monk Entertainment               | 35.96                     | 35.96                  | -                      | -                      |
| Tracxn Technologies                    | 23.28                     | 23.28                  | -                      | -                      |
| Zee Learn Limited                      | 2.07                      | 2.06                   | -                      | -                      |
| <b>Investment in Mutual Fund :-</b>    | <b>185.50</b>             | <b>35.55</b>           | <b>38.00</b>           | <b>-</b>               |
| Aditya Birla Sunlife                   | 13.70                     | 18.00                  | 18.00                  | -                      |
| ABSL Multi Cap                         | 3.75                      | 1.75                   | -                      | -                      |
| Kotak Low Duration Fund                | -                         | -                      | 20.00                  | -                      |
| HSBC Small Cap Equity Fund Growth      | 3.60                      | 2.35                   | -                      | -                      |
| Kotak small cap fund                   | 4.10                      | 2.10                   | -                      | -                      |
| Mahindra Manulife Flexicap Yojana      | 2.25                      | 1.05                   | -                      | -                      |
| Mahindra manulife Top 25 Nivesh Yojana | 4.35                      | 2.35                   | -                      | -                      |
| Mirae Mid Cap                          | 4.25                      | 2.25                   | -                      | -                      |
| Motilal Oswal Midcap 30 funds          | 4.25                      | 2.25                   | -                      | -                      |
| Nippon Large Cap Growth                | 4.35                      | 2.35                   | -                      | -                      |
| Bandhan Liquid Fund                    | 4.00                      | -                      | -                      | -                      |
| Aditya Birla Liquid Fund               | 73.00                     | -                      | -                      | -                      |
| Bandhan Ultra Short fund               | 54.00                     | -                      | -                      | -                      |
| Arthmate Investments- Freedom Plan     | 8.00                      | -                      | -                      | -                      |
| Sundaram service fund investment       | 1.90                      | 1.10                   | -                      | -                      |
| <b>Other Investments :-</b>            |                           |                        |                        |                        |
| (a) Gold Coin                          | 0.14                      | 0.14                   | -                      | -                      |
| <b>Total</b>                           | <b>328.21</b>             | <b>168.46</b>          | <b>38.00</b>           | <b>-</b>               |

**Note 11.1:** In some target based Contest Company won gold coin

## 12 Other Non Current Assets(Annexure 13)

(Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

| Particulars            | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|------------------------|---------------------------|------------------------|------------------------|------------------------|
| Mat Credit Entitlement | -                         | -                      | -                      | 0.51                   |
| Capital Advances*      | -                         | -                      | 18.45                  | 18.45                  |
| <b>Total</b>           | <b>-</b>                  | <b>-</b>               | <b>18.45</b>           | <b>18.96</b>           |

**Note 12.1:** Capital Advances was given in respect to purchase of flat at Mayfair Heights, Kalwar road, Jaipur.

## 13 Current Investment (Annexure 14)

(₹ in Lakhs)

| Particulars                              | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|--|---------------------------|------------------------|------------------------|------------------------|
| <b>Investments in equity instruments</b> |                           |                        |                        |                        |
| <b>Quoted</b>                            | <b>149.78</b>             | <b>133.06</b>          | <b>94.03</b>           | <b>0.70</b>            |
| Punjab National Bank                     | -                         | -                      | -                      | 0.18                   |
| PTC India Limited                        | -                         | -                      | -                      | 0.26                   |
| Vodafone Idea                            | -                         | -                      | -                      | 0.25                   |

| Particulars               | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|---------------------------|---------------------------|------------------------|------------------------|------------------------|
| Adani Wilmar Limited      | -                         | 3.76                   | 8.47                   | -                      |
| Asahi India Glass         | -                         | 9.32                   | 9.32                   | -                      |
| Bharat Wire Ropes Limited | -                         | -                      | 8.36                   | -                      |
| Bigbloc Construction      | -                         | -                      | 1.17                   | -                      |
| Easy Trip Planners        | -                         | -                      | 9.03                   | -                      |
| Engineers India Limited   | -                         | -                      | 3.20                   | -                      |
| Fluidomat Limited         | -                         | 1.48                   | 2.97                   | -                      |
| Grindwell Norton Limited  | -                         | 3.73                   | 3.60                   | -                      |
| Himadri Specialities      | 14.65                     | 23.39                  | 17.65                  | -                      |
| Hindusthan Construction   | 4.73                      | 4.73                   | 4.39                   | -                      |
| Jindal Saw Limited        | -                         | -                      | 0.90                   | -                      |
| J M Finance Limited       | -                         | -                      | 0.68                   | -                      |
| Liberty Shoes Limited     | -                         | -                      | 3.29                   | -                      |
| L & T Finance Holding     | -                         | -                      | 0.72                   | -                      |
| Manali Petrochem Limited  | -                         | -                      | 3.79                   | -                      |
| MTNL                      | -                         | -                      | 1.13                   | -                      |
| NBCC (India) Limited      | -                         | -                      | 0.91                   | -                      |
| Redington (IND)           | -                         | 5.89                   | 5.80                   | -                      |
| Saint Global              | -                         | -                      | 1.72                   | -                      |
| Supreme Petrochem         | -                         | -                      | 5.06                   | -                      |
| Gujarat Ambuja Limited    | -                         | -                      | 1.88                   | -                      |
| ARTEMIS MEDI-EQ1/-        | 0.76                      | 0.68                   | -                      | -                      |
| BALMER LAWRIE EQUITY      | 7.25                      | 6.65                   | -                      | -                      |
| BOMBAY DYEING EQ 2/-      | 10.03                     | 7.95                   | -                      | -                      |
| CAPITAL TRUST LTD         | 3.84                      | 2.41                   | -                      | -                      |
| CESC-EQ1/-                | 2.21                      | 2.00                   | -                      | -                      |
| CLEAN SCIENCE-EQ1/-       | -                         | 10.11                  | -                      | -                      |
| DYNAMIC CABLES-EQ         | -                         | 1.68                   | -                      | -                      |
| GEEKAY WIRES-EQ           | -                         | 1.22                   | -                      | -                      |
| GEOJIT FIN-EQ RS 1/-      | -                         | 4.79                   | -                      | -                      |
| GLOBAL HEALTH-EQ          | 3.22                      | 3.46                   | -                      | -                      |
| HITACHI ENERGY IN-EQ      | -                         | 2.96                   | -                      | -                      |
| IIFL FINANCE-EQ2/-        | 2.24                      | 2.24                   | -                      | -                      |
| INDIABULLS REAL - EQ      | 2.86                      | 1.71                   | -                      | -                      |
| MASTEK EQY (RS 5 PD)      | -                         | 0.39                   | -                      | -                      |
| NAVNEET EDU-EQ RS 2       | 5.36                      | 4.77                   | -                      | -                      |
| NHPC LIMITED - EQ         | 5.13                      | 5.13                   | -                      | -                      |
| ORISSA MINERAL EQ1/-      | -                         | 2.38                   | -                      | -                      |
| PRISM JOHNSON-EQ          | -                         | 2.11                   | -                      | -                      |
| RAGHAV PRODUCT-EQ         | 5.85                      | 4.94                   | -                      | -                      |
| STOVE KRAFT-EQ            | 4.82                      | 3.75                   | -                      | -                      |
| SUPREME PETRO-EQ2/-       | 3.37                      | 3.43                   | -                      | -                      |
| CE INFO SYSTEM            | 30.36                     | -                      | -                      | -                      |
| CFF FLUID CONTROL LIMITED | 1.69                      | -                      | -                      | -                      |
| FLUIDOMAT LTD EQ          | 1.11                      | -                      | -                      | -                      |
| KIRLOSKAR ELECTIC EQ      | 2.61                      | -                      | -                      | -                      |

| Particulars          | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|----------------------|---------------------------|------------------------|------------------------|------------------------|
| KIRLOSKAR INDUSTRIES | 2.65                      | -                      | -                      | -                      |
| THE ANUP ENGINEERING | 25.92                     | -                      | -                      | -                      |
| VOITH PAPER FABRICS  | 2.64                      | -                      | -                      | -                      |
| YES BANK LTD-EQ2/-   | 6.48                      | 6.02                   | -                      | -                      |
| <b>Total</b>         | <b>149.78</b>             | <b>133.06</b>          | <b>94.03</b>           | <b>0.70</b>            |

**Note 13.1: The Basis of Valuation of Investments**

Investment is valued at the lower of cost and fair value

**Note 13.2: Aggregate amount of quoted investment and market value thereof (₹ in Lakhs)**

|   |               |               |              |             |
|---|---------------|---------------|--------------|-------------|
| Cost of Investment                                      | <b>153.38</b> | <b>147.78</b> | <b>96.90</b> | <b>0.81</b> |
| Investment wise fair value of investment as on March 31 | <b>149.78</b> | <b>133.06</b> | <b>94.03</b> | <b>0.70</b> |

**14 Trade Receivables (Annexure 15)**

(₹ in Lakhs)

| Particulars                    | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|--------------------------------|---------------------------|------------------------|------------------------|------------------------|
| <b>Current</b>                 |                           |                        |                        |                        |
| Undisputed - Considered Good   | 2.76                      | 29.00                  | -                      | -                      |
| Disputed - Considered Good     | -                         | -                      | -                      | -                      |
| Disputed - Considered Doubtful | -                         | -                      | -                      | -                      |
| <b>Total</b>                   | <b>2.76</b>               | <b>29.00</b>           | <b>-</b>               | <b>-</b>               |

**Note 14.1: Ageing of debtors**

| Particulars                        | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|------------------------------------|---------------------------|------------------------|------------------------|------------------------|
| Outstanding for less than 6 months | 2.76                      | 29.00                  | -                      | -                      |
| Outstanding for 6 - 12 months      | -                         | -                      | -                      | -                      |
| Outstanding for 1 - 2 years        | -                         | -                      | -                      | -                      |
| Outstanding for 2 - 3 years        | -                         | -                      | -                      | -                      |
| Outstanding for more than 3 years  | -                         | -                      | -                      | -                      |
| <b>Total</b>                       | <b>2.76</b>               | <b>29.00</b>           | <b>-</b>               | <b>-</b>               |

**15. Cash and Cash Equivalents (Annexure 16)**

(₹ in Lakhs)

| Particulars              | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|--------------------------|---------------------------|------------------------|------------------------|------------------------|
| Balances with Banks      |                           |                        |                        |                        |
| In Current Accounts      | 13.36                     | 32.00                  | 36.93                  | 1.53                   |
| In Sweep Deposit Account | 8.08                      | 19.76                  | 120.88                 | -                      |
| Cash on Hand             | 0.15                      | 0.22                   | 0.32                   | 0.13                   |
| <b>Total</b>             | <b>21.59</b>              | <b>51.98</b>           | <b>158.13</b>          | <b>1.66</b>            |

16. Short term loans and advances (Annexure17)

(₹ in Lakhs)

| Particulars                                       | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|---|---------------------------|------------------------|------------------------|------------------------|
| <b>Current</b>                                    |                           |                        |                        |                        |
| <b>(Unsecured and Considered good)</b>            |                           |                        |                        |                        |
| Inter Corporate Loans*                            | -                         | 40.72                  | -                      | -                      |
| Security Deposit                                  | 0.10                      | -                      | -                      | -                      |
| Balance with Broker                               | 8.41                      | -                      | -                      | -                      |
| Advances to related party (Details in Note Below) | -                         | -                      | 5.81                   |                        |
| <b>Total</b>                                      | <b>8.51</b>               | <b>40.72</b>           | <b>5.81</b>            | <b>-</b>               |

**Note 16.1:** Inter corporate loan was given to M/s JK Distributors Private Limited for period of 6 months on interest of 12% p.a. As explained by the management above funds were provided for the purpose of short-term working capital.

**Note 16.2: Related Parties who have advanced to the company**

(₹ in Lakhs)

| Particulars                     | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|---------------------------------|---------------------------|------------------------|------------------------|------------------------|
| Sodhani Capital Private Limited | -                         | -                      | 5.81                   | -                      |
| <b>Total</b>                    | <b>-</b>                  | <b>-</b>               | <b>5.81</b>            | <b>-</b>               |

17. Other Current Assets (Annexure 18)

(₹ in Lakhs)

| Particulars          | As at November 30th, 2023 | As at March 31st, 2023 | As at March 31st, 2022 | As at March 31st, 2021 |
|----------------------|---------------------------|------------------------|------------------------|------------------------|
| <b>Current</b>       |                           |                        |                        |                        |
| Advance Tax          | -                         | 4.17                   | -                      | -                      |
| TDS                  | -                         | 6.02                   | 2.96                   | 0.81                   |
| Advance for expenses | 9.41                      | -                      | 0.11                   | 0.09                   |
| <b>Total</b>         | <b>9.41</b>               | <b>10.19</b>           | <b>3.07</b>            | <b>0.90</b>            |

18 Revenue From Operations (Annexure 19)

(₹ in Lakhs)

| Particulars                                    | Period ended Novemb er 30th, 2023 | Year ended March 31st, 2023 | Year ended March 31st, 2022 | Year ended March 31st, 2021 |
|--|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Sale of Services</b>                        |                                   |                             |                             |                             |
| Income from Learning, Training and Consultancy | 92.56                             | 137.58                      | 185.89                      | 15.14                       |
| <b>Total</b>                                   | <b>92.56</b>                      | <b>137.58</b>               | <b>185.89</b>               | <b>15.14</b>                |

19 Other Income (Annexure 20)

(₹ in Lakhs)

| Particulars | Period ended Novemb | Year ended March | Year ended March | Year ended March |
|-------------|---------------------|------------------|------------------|------------------|
|             |                     |                  |                  |                  |

|   | er 30th,<br>2023 | 31st,<br>2023 | 31st,<br>2022 | 31st,<br>2021 |
|---|------------------|---------------|---------------|---------------|
| Interest Income from banks                  | 0.50             | 3.90          | 0.36          | -             |
| Dividend income                             | 1.50             | 2.16          | 0.26          | 0.04          |
| Reversal of fair value loss on investment   | 11.13            | -             | -             | -             |
| Profit (Loss) on sale of shares/mutual fund | 24.42            | 58.01         | 1.68          | -             |
| Interest on investment                      | 0.49             | 1.31          | -             | -             |
| Profit on sale of Property                  | 9.00             | -             | -             | 10.11         |
| Miscellaneous Income                        | 0.48             | 0.49          | -             | -             |
| <b>Total</b>                                | <b>47.53</b>     | <b>65.87</b>  | <b>2.30</b>   | <b>10.15</b>  |

20 **Employee Benefits Expenses (Annexure 21)**

(₹ in Lakhs)

| Particulars                  | Period<br>ended<br>Novemb<br>er 30th,<br>2023 | Year<br>ended<br>March<br>31st,<br>2023 | Year<br>ended<br>March<br>31st,<br>2022 | Year<br>ended<br>March<br>31st,<br>2021 |
|------------------------------|---|---|---|---|
| Salaries, Bonus & Allowances | 6.64  | 0.18                                    | -                                       | -                                       |
| Directors' Remuneration      | 8.00  | 12.00                                   | 1.50                                    | -                                       |
| <b>Total</b>                 | <b>14.64</b>                                  | <b>12.18</b>                            | <b>1.50</b>                             | <b>-</b>                                |

21 **Finance Cost (Annexure 22)**

(₹ in Lakhs)

| Particulars                | Period<br>ended<br>Novemb<br>er 30th,<br>2023 | Year<br>ended<br>March<br>31st,<br>2023 | Year<br>ended<br>March<br>31st,<br>2022 | Year<br>ended<br>March<br>31st,<br>2021 |
|----------------------------|---|---|---|---|
| Interest Expenses - Others | -   | 0.01                                    | 0.01                                    | -                                       |
| <b>Total</b>               | <b>-</b>                                      | <b>0.01</b>                             | <b>0.01</b>                             | <b>-</b>                                |

22 **Other Expenses (Annexure 23)**

(₹ in Lakhs)

| Particulars                          | Period<br>ended<br>Novemb<br>er 30th,<br>2023 | Year<br>ended<br>March<br>31st,<br>2023 | Year<br>ended<br>March<br>31st,<br>2022 | Year<br>ended<br>March<br>31st,<br>2021 |
|--------------------------------------|---|---|---|---|
| Bank Charges                         | 0.01  | 0.01                                    | -                                       | 0.00                                    |
| Training Expenses                    | 5.18  | -                                       | -                                       | -                                       |
| Rent Expenses                        | 8.00  | -                                       | -                                       | -                                       |
| Fair value loss on investment        | -   | 14.72                                   | 2.87                                    | 0.11                                    |
| (Loss) on sale of shares/mutual fund | -   | -                                       | -                                       | 0.07                                    |
| D-mat Charges                        | 0.09  | 0.00                                    | -                                       | 0.01                                    |
| Legal and professional fees          | 0.61  | 0.23                                    | 4.48                                    | 0.05                                    |
| Payments to auditors                 | 0.50  | 0.50                                    | 0.05                                    | 0.05                                    |
| Advertisement & Meeting Expenses     | -   | 0.22                                    | 5.60                                    | -                                       |
| Office and Miscellaneous expenses    | 0.13  | 0.14                                    | 0.28                                    | -                                       |
| <b>Total</b>                         | <b>14.51</b>                                  | <b>15.82</b>                            | <b>13.28</b>                            | <b>0.29</b>                             |

23 **Earning Per Share (EPS) (Annexure 24)**

| Particulars   | Period ended November 30th, 2023 | Year ended March 31st, 2023 | Year ended March 31st, 2022 | Year ended March 31st, 2021 |
|---|----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| i) Net Profit after tax as per Statement of Profit and Loss attributable Equity Shareholders (Rs. in lakhs) | 86.33                            | 138.60                      | 123.91                      | 3.08                        |
| ii) Weighted Average number of Equity Shares used as denominator for calculating EPS                        | 47,25,000                        | 47,25,000                   | 11,88,740                   | 11,70,000                   |
| iii) Basic and Diluted Earnings per share (Rs.) (not annualized)  | 1.83                             | 2.93                        | 10.42                       | 0.26                        |
| iv) Face Value per Equity Share (Rs.)   | 10.00                            | 10.00                       | 10.00                       | 10.00                       |

**Note 23.1:** The Company has issued 33,75,000 bonus shares during FY 2023-24. Effect of the same has been taken while calculating earnings per share of FY 2022-23 according to the requirement of AS-20. However, effect on earnings per share of FY 2021-22 and FY 2020-21 cannot be taken due to inadequacy of reserve for issue of bonus shares.

24 **Related Party Disclosures (Annexure 25)**

List of related parties where control exists and related parties with whom transactions have taken place and

i) **relationships:**

| Sr. No.     | Name of the Related Party  | Relationship                                       |
|-------------|--|--|
| 1<br>2<br>3 | Mr Rajesh Kumar Sodhani<br>Ms. Priya Sodhani<br>Mr. Suresh Kumar Sodhani | Key Managerial Personnel                           |
| 1<br>2      | Rajesh Kumar Sodhani HUF<br>Sodhani Capital Private Limited              | Entities with significant influence over the Group |

ii) **Transactions for the period**

(₹ in Lakhs)

| S no | Particulars   | Period ended November 30th, 2023 | Year ended March 31st, 2023 | Year ended March 31st, 2022 | Year ended March 31st, 2021 |
|------|---|----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| 1    | <b>Salaries</b><br><b>Key Management personnel</b><br>Mr. Rajesh Kumar Sodhani<br>Ms. Priya Sodhani | 8.00<br>-                        | 12.00<br>-                  | 1.50                        | -<br>-                      |
| 2    | <b>Rent</b><br><b>Key Management personnel</b><br>Mr. Rajesh Kumar Sodhani                          | 8.00                             | -                           | -                           | -                           |
| 3    | <b>Training Expenses</b><br><b>Key Management personnel</b><br>Mr. Rajesh Kumar Sodhani             | 2.43                             | -                           | -                           | -                           |

|   |  |            |            |               |        |
|---|--|------------|------------|---------------|--------|
| 4 | <b>Net Loans and Advances given / (returned)</b><br><b>Entities with significant influence over the Group</b><br>Sodhani Capital Private Limited | -          | -5.81      | 5.81          | -      |
| 5 | <b>Unsecured long term Loans received and (repaid)</b><br><b>Key Managerial Personnel</b><br>Ms. Priya Sodhani<br>Mr. Rajesh Kumar Sodhani       | -<br>-2.65 | -<br>-1.45 | -0.50<br>4.10 | -<br>- |

iii) Details of balances with Related party at the year end :

(₹ in Lakhs)

| Sr no | Particulars   | As on November 30th, 2023 | As on March 31st, 2023 | As on March 31st, 2022 | As on March 31st, 2021 |
|-------|---|---------------------------|------------------------|------------------------|------------------------|
| 1     | <b>Loans and advances (Asset)</b><br><b>Entities with significant influence over the Group</b><br>Sodhani Capital Private Limited | -                         | -                      | 5.81                   | -                      |
| 2     | <b>Unsecured long term loans (liability)</b><br><b>Key Managerial Personnel</b><br>Ms. Priya Sodhani<br>Mr. Rajesh Kumar Sodhani  | -<br>-                    | -<br>2.65              | -<br>4.10              | 0.50<br>-              |
| 2     | <b>Trade and Employee Benefits Payable</b><br><b>Key Managerial Personnel</b><br>Mr. Rajesh Kumar Sodhani                         | 4.60                      | -                      | -                      | -                      |

25 Taxation (Annexure 26)

(₹ in Lakhs)

(a) Statement of Tax Shelter

| Particulars   | Period ended November 30th, 2023 | Year ended March 31st, 2023 | Year ended March 31st, 2022 | Year ended March 31st, 2021 |
|---|----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Net Profit Before Tax (A)</b>                                | 110.94                           | 175.44                      | 173.40                      | 25.00                       |
| Tax rate applicable percentage                                  | 25.17%                           | 25.17%                      | 27.82%                      | 31.20%                      |
| <b>Adjustments: -</b>   |                                  |                             |                             |                             |
| Add: Depreciation as per Companies act                          | -                                | -                           | -                           | -                           |
| (Less)/Add: (Allowance)/Disallowance under Income Tax Act, 1961 | -11.13                           | 14.72                       | 3.55                        | 1.10                        |
| Less: Taxable under other heads of income                       | 35.92                            | 65.60                       | 2.30                        | 10.15                       |
| Less: Depreciation as per Income Tax Act, 1961                  | -                                | -                           | -                           | -                           |
| <b>Net Adjustments(B)</b>                                       | <b>-47.05</b>                    | <b>-50.88</b>               | <b>1.25</b>                 | <b>-9.05</b>                |
| <b>Business Income (A+B)</b>                                    | <b>63.90</b>                     | <b>124.56</b>               | <b>174.64</b>               | <b>15.95</b>                |
| <b>Income from Capital Gain</b>                                 | <b>30.51</b>                     | <b>58.01</b>                | <b>1.68</b>                 | <b>10.11</b>                |
| <b>Income from Other Sources</b>                                | <b>2.50</b>                      | <b>7.59</b>                 | <b>0.62</b>                 | <b>0.04</b>                 |
| Tax Payable as per Normal Rate                                  | 16.71                            | 33.26                       | 48.76                       | 4.99                        |
| Tax Payable as per Special Rate:                                | 5.11                             | 8.55                        | 0.21                        | 1.22                        |

|   |              |              |              |             |
|---|--------------|--------------|--------------|-------------|
| Interest and other fees payable                                   | -            | -            | 1.28         | 0.33        |
| <b>Tax as per Income Tax (C)</b>                                  | <b>21.82</b> | <b>41.81</b> | <b>50.25</b> | <b>6.53</b> |
| <b>Net Tax (Higher of C &amp; D)</b>                              | <b>21.82</b> | <b>41.81</b> | <b>50.25</b> | <b>6.53</b> |
| <b>Current tax as per restated Statement of Profit &amp; Loss</b> | <b>21.82</b> | <b>41.81</b> | <b>50.25</b> | <b>6.53</b> |

(b) **Deferred tax assets (Annexure 27)**

| <b>Particulars</b> | <b>As at November 30th, 2023</b> | <b>As at March 31st, 2023</b> | <b>As at March 31st, 2022</b> | <b>As at March 31st, 2021</b> |
|--------------------|----------------------------------|-------------------------------|-------------------------------|-------------------------------|
| On Investments     | 0.91                             | 3.71                          | 0.80                          | 0.04                          |
| <b>Total</b>       | <b>0.91</b>                      | <b>3.71</b>                   | <b>0.80</b>                   | <b>0.04</b>                   |

**Statement of accounting ratios & additional Information as restated (Annexure 28)**

- 26 In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated as realizable in the ordinary course of business and the provision for all known liabilities are adequate.
- 27 Debit and Credit balances are subject to confirmation and reconciliation if any.
- 28 The Company has not granted loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:(a) repayable on demand or (b) without specifying any terms or period of repayment.
- 29 Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with current year classification.
- 30 The Company does not have any capital work-in-progress
- 31 The Company does not have any intangible asset under development.
- 32 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.
- 33 The Company has no borrowings from banks or financial institutions.
- 34 The company is not declared as wilful defaulter by any bank or financial institution or other lender.
- 35 The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 2013
- 36 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- 37 The Company does not have any modification or satisfaction of charge which is required to be registered with the RoC beyond statutory period.
- 38 The company's investments are in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.



**Capitalization Statement as at 30 November, 2023**

(₹ in Lakhs)

| Particulars                             | Pre Issue     | Post Issue* |
|---|---------------|-------------|
|   |               |             |
| <b>Borrowings</b>                       |               |             |
| Short Term Debts                        | -             | [●]         |
| Long Term Debts                         | -             | -           |
| <b>Total Debts</b>                      | -             | [●]         |
|   |               |             |
| Shareholder's funds                     |               |             |
| Equity Share Capital                    | 472.50        | [●]         |
| Reserves and Surplus                    | 90.67         | [●]         |
| <b>Total Shareholder's fund</b>         | <b>563.17</b> | [●]         |
|   |               |             |
| <b>Short term debt/shareholder fund</b> | -             | [●]         |
| <b>Total Debt/shareholder fund</b>      | -             | [●]         |

(1) The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2023

\*Post Issue Figures are not available since Offer Price is not yet finalized

### OTHER FINANCIAL INFORMATION

The information required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:  
(₹ in Lakhs)

| Financial Ratios   | As on<br>November 30th, 2023 | As on<br>March 31st, 2023 | As on<br>March 31st,<br>2022 | As on<br>March 31st,<br>2021 |
|--|------------------------------|---------------------------|------------------------------|------------------------------|
| <b>A. Earning per share</b>  |                              |                           |                              |                              |
| Restated Profit / (loss) after Tax as per Profit & Loss Statement  | 86.33                        | 138.60                    | 123.91                       | 3.08                         |
| Weighted Average Number of Equity Shares at the end of the Year/Period before adjustment for issue of bonus shares | 13,50,000.00                 | 2,70,000.00               | 1,08,740.00                  | 90,000.00                    |
| Weighted Average Number of Equity Shares at the end of the Year/Period after adjustment for issue of bonus shares  | 47,25,000.00                 | 47,25,000.00              | 11,88,740.00                 | 11,70,000.00                 |
| <b><u>Earning per share</u></b>  |                              |                           |                              |                              |
| Basic EPS - Pre-Bonus  | 6.39                         | 51.33                     | 113.95                       | 3.42                         |
| Basic EPS - Post Bonus   | 1.83                         | 2.93                      | 10.42                        | 0.26                         |
| Diluted EPS - Pre-Bonus  | 6.39                         | 51.33                     | 113.95                       | 3.42                         |
| Diluted EPS - Post Bonus   | 1.83                         | 2.93                      | 10.42                        | 0.26                         |
| <b>B. Return on Net Worth</b>  |                              |                           |                              |                              |
| Net Worth  | 563.17                       | 476.85                    | 338.25                       | 61.34                        |
| Return on net worth  | 15.33%                       | 29.07%                    | 36.63%                       | 5.02%                        |
| Net assets value per share - Pre-Bonus   | 41.72                        | 176.61                    | 311.07                       | 68.16                        |
| Net assets value per share - Post Bonus  | 11.92                        | 10.09                     | 28.45                        | 5.24                         |
| <b>C. Current Ratio</b>  |                              |                           |                              |                              |
| Current Assets (a)   | 192.06                       | 264.95                    | 261.04                       | 3.26                         |
| Current Liabilities (b)  | 17.44                        | 24.72                     | 24.95                        | 5.83                         |
| <b>Current Ratio (a/b)</b>   | <b>11.01</b>                 | <b>10.72</b>              | <b>10.46</b>                 | <b>0.56</b>                  |

**Note:**

- 1) 10,80,000 bonus shares issues in the ratio of 4 shares of every 1 share held.
- 2) The Company has issued 33,75,000 bonus share during FY 2023-24. Effect of the same has been taken while calculating earning per share of FY 2022-23 according to the requirement of AS-20. However, effect on earning per share of FY 2021-22 and FY 2020-21 cannot be taken due to inadequacy of reserve for issue of bonus shares.

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company for period ended November 30, 2023 and the financial years ended March 31, 2023, 2022 and 2021 (collectively, the “**Audited Financial Statements**”) are available on our website at [www.safefintech.in](http://www.safefintech.in)

**STATEMENT OF FINANCIAL INDEBTEDNESS**

Set forth below, is a brief summary of our Company's borrowings as on November 30, 2023:

| <b>Name of Lender</b> | <b>Purpose</b> | <b>Rate of interest</b> | <b>Securities offered</b> | <b>Re-payment</b> | <b>Moratorium</b> | <b>Outstanding amount (in lakhs)</b> |
|-----------------------|----------------|-------------------------|---------------------------|-------------------|-------------------|--------------------------------------|
| NIL                   | NIL            | NIL                     | NIL                       | NIL               | NIL               | NIL                                  |

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*The following discussion and analysis of our financial condition and results of operations for the Period ended November 30, 2023 and for the Financial Years ended on 2023, 2022 and 2021 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 139 of this Draft Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our restated financial statements are prepared in accordance with applicable Accounting Standards.*

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Prospectus. You should also read the section titled "Risk Factors" beginning on page 24 of this Draft Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Sodhani Academy of Fintech Enablers Limited (Formerly known as Sodhani Financial Consultants Limited), our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the period ended November 30, 2023 and the Financial Years ended on 2023, 2022 and 2021 included in this Draft Prospectus beginning on page 139 of this Draft Prospectus.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### **BUSINESS OVERVIEW**

Our Company was originally incorporated as "Sodhani Financial Consultants Private Limited" as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 03, 2009 issued by the Registrar of Companies, Rajasthan, Jaipur. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to "Sodhani Financial Consultants Limited" vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on March 09, 2023. The fresh certificate of incorporation dated April 10, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur.

Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on May 01, 2023, the name of our Company was changed from "Sodhani Financial Consultants Limited" to "Sodhani Academy of Fintech Enablers Limited". The fresh certificate of incorporation dated May 15, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur bearing CIN U67120RJ2009PLC028237

Our company engaged in the business of providing training, consultancy and learning services. Our focus area of service delivery has been under the domain of financial literacy and awareness. Financial literacy and awareness domain broadly refers to the knowledge and understanding of various financial concepts and skills that enable learners to make informed and responsible decisions regarding financial matters. It encompasses the ability to manage money effectively, budget wisely, save and invest prudently, and comprehend basic financial products and services. We believe a strong foundation in financial literacy empowers learners to navigate the complexities of the financial world, make sound financial choices, and plan for

their future financial well-being. Our training, consultancy and learning services have majorly been focused in the areas of financial planning, fundamental analysis, technical analysis, basics of stock market and retirement planning.

Our learners base comprises of various categories of participants such as students (both pursuing active education and qualified candidates) graduates (collectively being referred as "Students"), individuals who are presently not working and homemakers, (collectively being referred as "Learners") through our courses, seminars, sessions and material in the area of financial literacy and awareness. We aim at transforming theory into hands-on practice for learners to achieve adequate and sustainable financial learning.

For further details, please refer chapter titled “Our Business” on page 94 of this Draft Prospectus

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

**Key Performance Indicators of our Company:**

(Amount in Lakhs)

| Particulars   | As of and for the Eight-month period ended November 30, 2023* | Fiscal 2023 | Fiscal 2022 | Fiscal 2021 |
|---|---|-------------|-------------|-------------|
| Revenue from Operations   | 92.56   | 137.58      | 185.89      | 15.14       |
| EBITDA <sup>(1)</sup>   | 110.94  | 175.44      | 173.41      | 25.00       |
| EBITDA Margin (%) <sup>(2)</sup>                                | 119.85%   | 127.52%     | 93.29%      | 165.10%     |
| Restated profit for the period / year                           | 86.33   | 138.60      | 123.91      | 3.08        |
| Restated profit for the period / year Margin (%) <sup>(3)</sup> | 93.26%  | 100.74%     | 66.66%      | 20.35%      |
| Return on Average Equity ("RoAE") (%) <sup>(4)</sup>            | 16.60%  | 34.01%      | 62.02%      | 5.15%       |
| Return on Capital Employed ("RoCE") (%) <sup>(5)</sup>          | 19.70%  | 36.79%      | 51.27%      | 40.75%      |
| Net Debt / EBITDA Ratio   | -   | 0.02        | 0.02        | 0.02        |

Notes:

<sup>(1)</sup> EBITDA is calculated as restated profit for the period / year plus tax expense plus depreciation and amortization plus finance costs plus exceptional items.

<sup>(2)</sup> EBITDA Margin is calculated as EBITDA divided by revenue from operations, excluding other Income

<sup>(3)</sup> Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations, excluding other Income

<sup>(4)</sup> RoAE is calculated as Net profit after tax divided by Average Equity.

<sup>(5)</sup> RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed.

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 section “Objects of the Offer”, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations as amended from time to time.

**Explanation for the Key Performance Indicators**

**Revenue from operations:** Revenue from operations represents the total turnover of the business as well as provides

information regarding the year over year growth of our Company.

**EBITDA:** EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company.

**EBITDA margin:** EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortization, and taxes.

**Restated profit for the period / year:** Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during the a given period. It provides information regarding the profitability of the business of our Company.

**Restated profit for the period / year margin:** Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.

**Return on Average Equity (“RoAE”):** RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.

**Return on Capital Employed (“RoCE”):** RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoCE is indicative of the profit generation by our Company against the capital employed.

**Net Debt/ EBITDA:** Net Debt to EBITDA is a measurement of leverage, calculated as a company's borrowings minus cash or cash equivalents, divided by its EBITDA. It shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

## **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the previous twelve months except:

- Our Company has allotted bonus shares in the ratio of 2.5:1 to the existing shareholders in the board meeting held on June 27, 2023.
- The status of the Company was changed to public limited and the name of our Company was changed to ‘Sodhani Financial Consultants Limited’ vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on March 09, 2023. The fresh certificate of incorporation dated April 10, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur.

Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on May 01, 2023, the name of our Company was changed from “Sodhani Financial Consultants Limited” to “Sodhani Academy of Fintech Enablers Limited”. The fresh certificate of incorporation dated May 15, 2023 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur. Bearing CIN U67120RJ2009PLC028237

- The Board of our Company has approved to raise funds through Initial Public Offering in the board meeting held on May 30, 2023.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the EGM held on May 31, 2023.

## STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to “Annexure 4 of Restated Financial Statements” beginning on page 139 of this Draft Prospectus.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 24 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our failure to keep pace with rapid changes in technology;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel and trainers;
- Conflict of Interest with promoter group companies, the promoter group and other related parties;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Volatility of loan interest rates and inflation;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our inability to maintain or enhance our brand recognition;
- Inability to protect our IP or any third-party claims in relation to infringement of our existing intellectual property rights or in future;
- Inability to cater to the evolving learners preferences, in India and abroad, in the information technology industry;
- Failure to anticipate or successfully adopt and incorporate new technologies in our offerings;
- The occurrence of natural disasters or calamities; and

Failure to successfully upgrade our service portfolio, from time to time

## OVERVIEW RESULT OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the period November 30, 2023 and for the financial years ended on March 31, 2023, 2022 and 2021.

| Particulars  | Period ended November 30th, 2023 | % of Total Income | Year ended March 31st, |                   |               |                   |              |                   |
|--|----------------------------------|-------------------|------------------------|-------------------|---------------|-------------------|--------------|-------------------|
|  |                                  |                   | 2023                   | % of Total Income | 2022          | % of Total Income | 2022         | % of Total Income |
| I. Revenue from Operations                                 | 92.56                            | 66.07%            | 137.58                 | 67.62%            | 185.89        | 98.78%            | 15.14        | 59.87%            |
| II. Other Income   | 47.53                            | 33.93%            | 65.87                  | 32.38%            | 2.30          | 1.22%             | 10.15        | 40.13%            |
| <b>III. Total Income (I+II)</b>                            | <b>140.09</b>                    | <b>100.00%</b>    | <b>203.45</b>          | <b>100.00%</b>    | <b>188.19</b> | <b>100.00%</b>    | <b>25.29</b> | <b>100.00%</b>    |
| <b>IV. Expenses</b>  |                                  | 0.00%             |                        | 0.00%             |               | 0.00%             |              | 0.00%             |
| Employee Benefits Expenses                                 | 14.64                            | 10.45%            | 12.18                  | 5.99%             | 1.50          | 0.80%             | -            | 0.00%             |
| Finance Costs  | -                                | 0.00%             | 0.01                   | 0.00%             | 0.01          | 0.01%             | -            | 0.00%             |
| Other Expenses   | 14.51                            | 10.36%            | 15.82                  | 7.78%             | 13.28         | 7.06%             | 0.29         | 1.16%             |
| <b>Total Expenses</b>                                      | <b>29.15</b>                     | <b>20.81%</b>     | <b>28.01</b>           | <b>13.77%</b>     | <b>14.80</b>  | <b>7.86%</b>      | <b>0.29</b>  | <b>1.16%</b>      |
| <b>V. Profit Before Exceptional Items and Tax (III-IV)</b> | <b>110.94</b>                    | <b>79.19%</b>     | <b>175.44</b>          | <b>86.23%</b>     | <b>173.40</b> | <b>92.14%</b>     | <b>25.00</b> | <b>98.84%</b>     |
| Exceptional Items  | -                                | 0.00%             | -                      | 0.00%             | -             | 0.00%             | -            | 0.00%             |
| <b>Profit Before Tax</b>                                   | <b>110.94</b>                    | <b>79.19%</b>     | <b>175.44</b>          | <b>86.23%</b>     | <b>173.40</b> | <b>92.14%</b>     | <b>25.00</b> | <b>98.84%</b>     |
| <b>Income Tax Expense</b>                                  |                                  | 0.00%             |                        | 0.00%             |               | 0.00%             |              | 0.00%             |
| Current Year   | 21.82                            | 15.57%            | 41.81                  | 20.55%            | 50.25         | 26.70%            | 6.53         | 25.82%            |
| Earlier Year   | -                                | 0.00%             | -2.06                  | -1.01%            | -             | 0.00%             | 15.42        | 60.97%            |
| Deferred tax   | 2.80                             | 2.00%             | -2.91                  | -1.43%            | -0.76         | -0.41%            | -0.04        | -0.14%            |
| <b>Profit After Tax</b>                                    | <b>86.33</b>                     | <b>61.62%</b>     | <b>138.60</b>          | <b>68.12%</b>     | <b>123.91</b> | <b>65.84%</b>     | <b>3.08</b>  | <b>12.18%</b>     |

## COMPONENTS OF INCOME AND EXPENDITURE

### Total Revenue

Our total revenue is divided into revenue from operations and other income. Revenue from operations consists revenue generated from service of Learning, Training and Consultancy. Our other income consists of interest income, dividend income, profit (loss) on sale of investments and property and other income.

### Total Expenses

Our total expenses comprise of employee benefits expenses, finance costs, depreciation and amortization expenses, and other expenses.

#### Employee benefits expenses

Employee benefit expenses comprises of (i) salary expenses, and (ii) director remuneration.

#### Finance costs

Finance cost includes interest on statutory dues.



### Other Expenses

Other expenses majorly comprise of advertising & marketing expense, office expense, legal and professional fees, fair value loss on investment, etc.

### **Provision for Tax**

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax, as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

## **Review of Operations for the period ended on November 30, 2023**

### **Income**

#### Revenue from operations

Revenue from operations for the period ended on November 30, 2023 amounting to ₹92.56 lakhs represent 66.07% of Total Revenue

#### Other Income

Other Income amounting to ₹47.53 Lakhs represents 33.93% of Total Revenue.

### **Expenses**

#### Employee benefits expenses

Employee benefit expenses includes Salaries and Wages, & Directors Remuneration amounting to ₹14.64 Lakhs represents 10.45% of Total Revenue.

#### Other expenses

Other expenses includes advertising & marketing expense, office expense, legal and professional fees etc. amounting to ₹14.51 Lakhs represents 10.36% of Total Revenue.

### **Profit before tax**

The Profit before tax for the period ended on November 30, 2023 was ₹110.94 Lakhs representing 79.19% of Total Revenue.

### **Tax expenses**

Tax Expenses consisting of Current Tax & Deferred Tax for the period ended on November 30, 2023 was ₹24.62 Lakhs representing 17.57% of Total Revenue.

## Profit After Tax

The Profit after tax for the period ended on November 30, 2023 was ₹86.33 Lakhs representing 61.62% of Total Revenue

## COMPARISON OF FY 2022-23 WITH FY 2021-22

### Income

#### Total Revenue

Our total revenue increased by ₹15.26 lakhs or 8.11% to ₹203.45 Lakh for the financial year 2022- 23 from ₹188.19 Lakh for the financial year 2021-22 due to the factors described below:

#### Revenue from operations

Our revenue from operations is ₹137.58 Lakhs for the financial year 2022-23 as compared to ₹185.89 Lakhs for the financial year 2021-22 representing a decline of 25.99% on account of decrease in numbers of session deliveries.

#### Other Income

Our other income is ₹65.87 Lakhs for the financial year 2022-23 as compared to ₹2.30 Lakhs for the financial year 2021-22 representing an increase of 2761.10% on account of profit from sale of shares/mutual fund.

### Expenses

Our total expense is ₹28.01 Lakhs for the financial year 2022- 23 as compared to ₹14.80 Lakhs for the financial year 2021-22 representing an increase of 89.33% due to the factors described below:

#### Employee benefits expenses

Our employee benefit expense is ₹12.18 Lakhs for the financial year 2022-23 as compared to ₹1.50 Lakhs for the financial year 2021-22 representing an increase of 712.00% due to increase in Salaries and Directors Remuneration.

#### Finance costs

Our finance cost is ₹0.01 Lakhs for the financial year 2022-23 as compared to ₹0.01 Lakhs for the financial year 2021-22

#### Other expenses

Our other expenses increased by 19.14% to ₹15.82 Lakhs for the financial year 2022-23 from ₹13.28 Lakhs for the financial year 2021-22, which is 7.78% and 7.06% of the total revenue of respective years. The increase was mainly due to increase in fair value loss on investment.

### Profit before tax

Our profit before tax increased by 1.18% to ₹175.44 Lakhs for the financial year 2022-23 from ₹173.40 Lakhs for the financial year 2021-22. The increase was mainly due to the factors described above.

### Tax expenses

Our tax expenses for the financial year 2022-23 amounted to ₹36.85 Lakhs as against tax expenses of ₹49.49 Lakhs for the financial year 2021-22. The net decrease of ₹12.64 is on account of decrease in current tax which partially set off with deferred tax assets and earlier year taxes.

### **Profit After Tax**

Our profit after tax increased by 11.85% to ₹138.59 Lakhs for the financial year 2022-23 from ₹123.91 Lakhs for the financial year 2021-22, reflecting a net increase of ₹14.68 Lakhs due to aforementioned reasons.

## **COMPARISON OF FY 2021-22 WITH FY 2020-21**

### **Income**

#### Total Revenue

Our total revenue increased by ₹162.90 lakhs or 644.14% lakh to ₹188.19 Lakh for the financial year 2021- 22 from ₹25.29 Lakh for the financial year 2020-21 due to the factors described below:

#### Revenue from operations

Our revenue from operations is ₹185.89 Lakhs for the financial year 2021-22 as compared to ₹15.14 Lakhs for the financial year 2020-21 representing a growth of 1127.81% on account of increase in sale of Services.

### **Expenses**

Our total expenses is ₹14.80 Lakhs for the financial year 2021-22 as compared to ₹0.29 Lakhs for the financial year 2020-21 representing an increase of 4943.02% due to the factors described below: -

#### Employee benefits expenses

Our employee benefit expenses increased by ₹1.5 Lakhs for the financial year 2021-22 as compared to financial year 2020-21 representing an increase due to increase in director remuneration.

#### Finance costs

Our finance cost is ₹0.01 Lakhs for the financial year 2021-22 as compared to nil for the financial year 2020-21.

#### Other expenses

Our other expenses increased by 4427.57% to ₹13.28 Lakhs for the financial year 2021-22 from ₹0.29 Lakhs for the financial year 2020-21, which is 7.06% and 1.16% of the total revenue of respective years. The increase was mainly due to increase in fair value loss on investment, legal and professional fees, and advertisement & marketing expenses

### **Profit before tax**

Our profit before tax increased by 593.69% to ₹173.40 Lakhs for the financial year 2021-22 from ₹25.00 Lakhs for the financial year 2020-21. The increase was mainly due to the factors described above.

### **Tax expenses**

Our tax expenses for the financial year 2021-22 amounted to ₹49.28 Lakhs as against tax expenses of ₹21.92 Lakhs for the financial year 2020-21. The net increase of ₹27.56 Lakhs is on account of increase in current tax which partially set off with

deferred tax assets and earlier year taxes.

### Profit After Tax

Our profit after tax increased by 3928.99% to ₹123.92 Lakhs for the financial year 2021-22 from ₹3.08 Lakhs for the financial year 2020-21, reflecting a net increase of ₹120.84 Lakhs due to aforementioned reasons.

### OTHER KEY RATIOS

The table below summarizes key ratios in our Restated Financial Statements for the period ended November 30, 2023 and financial years ended March 31, 2023, 2022 and 2021:

| Particulars                | Period ended<br>November 30th,<br>2023 | For the financial year ended on March 31, |       |      |
|----------------------------|--|---|-------|------|
|                            |  | 2023                                      | 2022  | 2021 |
| Fixed Asset Turnover Ratio | 1.56                                   | 2.13                                      | 4.14  | 0.34 |
| Current Ratio              | 11.01                                  | 10.72                                     | 10.46 | 0.56 |
| Debt Equity Ratio          | -                                      | 0.01                                      | 0.01  | 0.01 |

**Fixed Asset Turnover Ratio:** This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

**Current Ratio:** This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

**Debt Equity Ratio:** This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

### CASH FLOWS

The table below summaries our cash flows from our Restated Financial Statements for the period ended November 30, 2023 and for the financial years 2023, 2022 and 2021:

(₹ in Lakhs)

| Particulars  | Period ended<br>November 30th,<br>2023 | For the financial year ended on March 31, |         |       |
|--|--|---|---------|-------|
|  |  | 2023                                      | 2022    | 2021  |
| Net cash (used in)/ generated from operating Activities  | 121.10                                 | 71.17                                     | 132.94  | -9.13 |
| Net cash (used in)/ generated from investing Activities  | -148.84                                | -175.88                                   | -133.08 | 10.33 |
| Net cash (used in)/ generated from financing Activities  | -2.65                                  | -1.44                                     | 156.61  | -     |
| Net increase/ (decrease) in cash and cash Equivalents    | -30.39                                 | -106.15                                   | 156.47  | 1.20  |
| Cash and Cash Equivalents at the beginning of the period | 51.98                                  | 158.13                                    | 1.66    | 0.46  |
| Cash and Cash Equivalents at the end of the Period       | 21.59                                  | 51.98                                     | 158.13  | 1.66  |

### Cash Flows from Operating Activities

Period ended November 30,2023

Our net cash used in operating activities was ₹ 121.10 Lakhs for the Period ended November 30,2023. Our operating profit before working capital changes was ₹88.32 Lakhs for the financial year 2022-23 which was primarily adjusted against, decrease in trade receivables by ₹26.24 Lakhs, decrease in other current assets by ₹0.78 Lakhs, decrease in short term loans and advances by ₹32.21 Lakhs, decrease in other current liabilities by ₹11.27 Lakhs, increase in short term provision by ₹1.81 Lakhs which was further decreased by payment of Income Tax of ₹21.82 Lakhs.

Financial year 2022-23

Our net cash used in operating activities was ₹ 71.17 Lakhs for the financial year ended on March 31, 2023. Our operating profit before working capital changes was ₹182.79 Lakhs for the financial year 2022-23 which was primarily adjusted against, increase in trade receivables by ₹29.00 Lakhs, increase in other current assets by ₹7.12 Lakhs, increase in short term loans and advances by ₹34.91 Lakhs, increase in other current liabilities by ₹9.69 Lakhs, decrease in short term provision by ₹8.47 Lakhs which was further decreased by payment of Income Tax of ₹41.81 Lakhs.

Financial year 2021-22

Our net cash used in operating activities was ₹132.94 Lakhs for the financial year ended on March 31, 2022. Our operating profit before working capital changes was ₹175.65 Lakhs for the financial year 2021-22 which was primarily adjusted against increase in Other Current Assets by ₹2.17 Lakhs, increase in short term loans and advances by ₹5.81 Lakhs, increase in other current liabilities by ₹11.88 Lakhs, increase in short term provision by ₹3.64 Lakhs which was further decreased by payment of Income Tax of ₹50.25 Lakhs.

Financial year 2020-21

Our net cash used in operating activities was (₹9.13) Lakhs for the financial year ended on March 31, 2020. Our operating profit before working capital changes was ₹14.96 Lakhs for the financial year 2020-21 which was primarily adjusted against increase in Other Current Assets by ₹14.88 Lakhs, increase in short term provision by ₹5.33 Lakhs which was further decreased by payment of Income Tax of ₹14.54 Lakhs.

**Cash Flows from Investing Activities**

Period ended November 30,2023

Our net cash used from investing activities was (₹148.84) Lakhs for the Period ended November 30,2023. These were on account of Sale of Property, Plant & Equipment of ₹14.00 Lakhs, increase in non-current investment of ₹159.74 Lakhs, increase in current investment of ₹5.60 Lakhs dividend income of ₹1.50 Lakhs, and interest income of ₹0.99 Lakhs

Financial year 2022-23

Our net cash used from investing activities was (₹175.88) Lakhs for the financial year 2022-23. These were on account of Purchase of Property, Plant & Equipment of ₹19.54 Lakhs, increase in non-current investment of ₹130.46 Lakhs, increase in current investment of ₹33.23 Lakhs dividend income of ₹2.16 Lakhs, and interest income of ₹5.20 Lakhs.

Financial year 2021-22

Our net cash used from investing activities was (₹133.08) Lakhs for the financial year 2021-22. These were on account of, increase in non-current investment of ₹38.00 Lakhs, increase in current investment of ₹95.70 Lakhs dividend income of ₹0.26 Lakhs, and interest income of ₹0.36 Lakhs.

### Financial year 2020-21

Our net cash used from investing activities was ₹10.33 Lakhs for the financial year 2020-21. These were on account of Sale of Property, Plant & Equipment of ₹17.54 Lakhs, decrease in non-current investment of ₹0.55 Lakhs, increase in current investment of ₹6.69 Lakhs, and dividend income of ₹0.04 Lakhs.

### **Cash Flows from Financing Activities**

#### Period ended November 30,2023

Net cash generated from financing activities for the financial year March 31, 2023 was (₹2.65) Lakhs which was on account of decrease in short-term borrowings of ₹2.65 lakhs.

#### Financial year 2022-23

Net cash generated from financing activities for the financial year March 31, 2023 was (₹1.44) Lakhs which was primarily on account of decrease in short-term borrowings of ₹1.45 lakhs, and finance costs of ₹0.01 lakhs

#### Financial year 2021-22

Net cash generated from financing activities for the financial year March 31, 2022 was ₹156.61 Lakhs which was primarily on account of increase in share capital ₹153 Lakhs, increase in short-term borrowings of ₹3.60 lakhs, and finance cost of ₹0.01 Lakhs.

#### Financial year 2020-21

Net cash used in financing activities for the financial year March 31, 2021 was NIL

## **FINANCIAL INDEBTEDNESS**

As on November 30, 2023, the total outstanding borrowings of our Company is nil. For further details, refer to the chapter titled “Statement of Financial Indebtedness” beginning on page 165of this Draft Prospectus.

(₹ in Lakhs)

| <b>Particulars</b> | <b>As at November 30, 2023</b> |
|--------------------|--------------------------------|
| Borrowings         | NIL                            |
| <b>Total</b>       | <b>NIL</b>                     |

## **RELATED PARTY TRANSACTIONS**

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relate to remuneration, salary, commission and Offer of Equity Shares. For further details of related parties kindly refer chapter titled “Restated Financial Statements” beginning on page 139of this Draft Prospectus.

### **Information required as per Item (II) © (iv) of Part A of Schedule VI to the SEBI Regulations:**

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

#### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the years 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**

Other than as described in the Section titled “Financial Information” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on page no. 139 and 166 respectively of this Draft Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Conditions and Result of Operations” on page no. 24 and 166 respectively of this Draft Prospectus respectively, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

**4. Future relationship between Costs and Income**

Our Company’s future costs and revenues will be determined from services to be provided by the Company to its students in relation to the courses they availed.

**5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new services or increased prices**

There are no new services or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition

**6. Status of any publicly announced new services or business segments**

Please refer to the chapter titled “Our Business” on page no. 94 of this Draft Prospectus.

**7. The extent to which the business is seasonal.**

Our business is not seasonal in nature.

**8. Any significant dependence on a single or few suppliers or customers**

Our revenue is not dependent on a single or a few customers.

**9. Competition Conditions**

Competitive conditions are as described under the Chapters “Industry Overview” and “Our Business” beginning on page 82 and 94 respectively of the Draft Prospectus.

## **SECTION X – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPEMENT**

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Prospectus:*

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of ₹1,00,000/- (Rupees one lakhs only); or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at <https://safefintech.in>.*
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*
- d) As per the materiality policy adopted by the Board of our Company in its meeting held on June 01, 2023, the outstanding dues to creditors in excess of ₹ 1,00,000/- in case of MSME Creditor and in excess of 5% of the total outstanding towards creditors of our company as per the last audited financial statements will be considered material. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at <https://safefintech.in>.*

*Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

### **OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES**

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

##### **A. FILED AGAINST OUR COMPANY**

###### **1) Litigation involving Criminal Laws**



NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:**

**1. A.Y. 2009-10:**

As per details available on the website of the Income Tax Department M/s. Sodhani Financial Consultants Private Limited (hereinafter referred to as the "Assessee") have been issued with a demand notice u/s 154 of the Income Tax Act, 1961 bearing no. 2019200940402414555C dated March 30, 2017 raising a demand of Rs. 6,10,604/- in addition to an interest of Rs. 8,33,081/- for A.Y. 2009-10.

Under a separate proceeding u/s. 147 of the Income Tax Act, 1961, a demand notice bearing no. 2014200910009217856C dated March 15, 2015 has been issued against the assessee, raising a demand of Rs. 20,18,570/- in addition to an interest of Rs. 22,11,602/- has been issued against the assessee and the same is pending.

The assessee had filed an appeal bearing reference no. NFAC/2008- 09/10000602 vide form 35 dated May 01, 2017 and the same is pending for adjudication.

Although as per details and challans provided by the assessee, these demands has been settled under Vivad se Vishwas Scheme, 2020 the same are still pending on the website of the Income Tax Authorities as form-5 in respect of settlement is pending to be issued by the authority.

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. CASES FILED BY OUR COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

## **PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY**

### **A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:**

**M/s. Rajesh Kumar Sodhani HUF (Promoter)**

**Pending Demands/ Defaults of TDS:**

As per details available on the TRACES an aggregate outstanding amount for the late filing fees u/s 234E Interest u/s 220(2) and Income Tax Act. of Rs. 5,822/- from 2019-20 to 2022-23 pending against M/s. Rajesh Kumar Sodhnai HUF (hereinafter referred to as the "Assessee") as default on account of late filing of returns, late deposit of taxes. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

### **B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

### **PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND GROUP COMPANIES**

*NOTE: As on date of this draft Prospectus, Our Company has no subsidiary and / or Group Company*

#### **DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

#### **PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Prospectus

#### **OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

#### **PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

#### **NON-PAYMENT OF STATUTORY DUES**

As on the date of the Draft Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

#### **MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this DRAFT PROSPECTUS.

#### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

#### **DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

#### **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 166, there have been no material developments that have occurred after the Last Balance Sheet Date.

**OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on November 30,2023: -

| <b>Name</b>   | <b>Balance as on November 30, 2023 (in Lacs)</b> |
|---|--|
| Total Outstanding dues to Micro and Small & Medium Enterprises                      | Nil  |
| Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises | Nil  |

## **GOVERNMENT AND OTHER APPROVALS**

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### **Approvals In Relation to Our Company's incorporation**

1. Certificate of Incorporation dated February 03, 2009 from the Registrar of Companies, Jaipur, Rajasthan under the Companies Act, 1956 "Sodhani Financial Consultants Private Limited" (Company registration no. U67120RJ2009PTC028237)
2. Fresh Certificate of Incorporation dated April 10, 2023 pursuant to conversion of the Company from "Sodhani Financial Consultants Private Limited" to "Sodhani Financial Consultants Limited" (Company registration no. U67120RJ2009PLC028237 issued by Registrar of Companies, Jaipur, Rajasthan)
3. Fresh Certificate of Incorporation dated May 15, 2023 pursuant to Change of the Name of the Company from Sodhani Financial Consultants Limited to Sodhani Academy of Fintech Enablers Limited,( Corporate Identification No.: U67120RJ2009PLC028237) issued by the Registrar of Companies, Jaipur, Rajasthan.

### **Approvals in relation to the Issue**

#### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on May 30, 2023 authorized the Issue, subject to the approval by the shareholders of our Company under section 28 and 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated May 31, 2023, under Section 28 and 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated December 30, 2023 authorized our Company to take necessary action for filing the Draft Prospectus and Prospectus respectively with BSE SME.

#### **Approvals from Stock Exchange**

1. Our Company has received in- principle listing approval from the BSE SME dated [●] for listing of Equity Shares issued pursuant to the issue.

#### **Other Approvals**

1. The Company has entered into a tripartite agreement dated June 06, 2023 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Cameo Corporate Services Limited, for the dematerialization of its shares.

2. The Company has entered into an agreement dated June 07, 2023 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is **Cameo Corporate Services Limited**, for the dematerialization of its shares.

**APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:**

**Tax Related Approvals**

| S.No | Description                              | Address of Place of Business / Premises  | Registration Number | Issuing Authority                 | Date of issue     | Date of Expiry       |
|------|--|--|---------------------|-----------------------------------|-------------------|----------------------|
| 1.   | Permanent Account Number (PAN)           | NA   | AAMCS7653J          | Income Tax Department             | February 25, 2009 | Valid till Cancelled |
| 2.   | Tax Deduction Account Number (TAN)       | M/s. Sodhani Academy of Fintech Enablers Limited, C Block,C-373,First Floor,Behd Amar Jain Hosiptal,Vaishali Nagar,Jaipur-302021 | JPRS24992C          | Income Tax Department             | April 18, 2022    | Valid till Cancelled |
| 3.   | GST Registration Certificate (Rajasthan) | M/s. Sodhani Academy of Fintech Enablers Limited, C Block,C-373,First Floor,Behd Amar Jain Hosiptal,Vaishali Nagar,Jaipur-302021 | 08AAMCS7653J<br>1ZO | Goods and Services Tax department | October 15, 2021  | Valid till Cancelled |

**Registrations related to Labour Laws:**


| S.No. | Description   | Address  | License Number         | Issuing Authority                            | Date of issue | Date of Expiry       |
|-------|---|--|------------------------|--|---------------|----------------------|
| 1.    | Registration under Rajasthan Shops and Establishment Act,1948 | M/s. Sodhani Academy of Fintech Enablers Limited, Plot No. C-373, 1 <sup>st</sup> Floor, C Block, Vaishali Nagar, Jaipur-302021, Rajasthan | SCA/2023/<br>14/134687 | Department of Labour Government of Rajasthan | June 27, 2023 | Valid till Cancelled |

**Registrations related to Labour Laws:**

| S.No. | Description  | Address  | Registration no.  | Issuing Authority                      | Date of issue | Date of Expiry       |
|-------|--|--|---|--|---------------|----------------------|
| 1.    | Registration as Training partner with National Skill Development Corporation | Sodhani Financial Consultants Private Limited P.No. C-373, First Floor, C-Block, Vaishali Nagar, Jaipur, Rajasthan-302021, | Training Partner ID No. 158476 With "Deemed Ready" Status | National Skill Development Corporation | June 24, 2023 | Valid till Cancelled |

**Intellectual Property**

**Trademarks registered/Objected/Abandoned in the name of our company**

| S. No | Brand Name/Logo Trademark   | Class | Nature of Trademark and Application number | Owner                                       | Date of Application | Authority                          | Current Status |
|-------|---|-------|--|---|---------------------|------------------------------------|----------------|
| 1.    |  | 41    | Applied vide application number 5976901    | Sodhani Academy of Fintech Enablers Limited | June 13, 2023       | Registrar of Trademarks, Ahmadabad | Objected       |

#### Domain Name

| S.No | Domain Name and ID | Registry Domain ID                   | Registrant Name, ID and Address                            | Creation Date | Registry Expiry Date |
|------|--------------------|--------------------------------------|--|---------------|----------------------|
| 1.   | Safefintech.in     | D268A729CA64B485AAE6A4692493241B1-IN | Sodhani Academy Of Fintech Enablers Limited<br>Id: Private | May 03, 2023  | May 03, 2024         |

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company pursuant to change of its name from SODHANI FINANCIAL CONSULTANTS PRIVATE LIMITED to SODHANI ACADEMY OF FINTECH ENABLERS LIMITED.

## **SECTION IX: OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE OFFER**

#### **Fresh Issue**

The Board of Directors, pursuant to a resolution passed at their meeting held on May 30, 2023 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra-ordinary General Meeting held on May 31, 2023 authorized the Issue.

#### **Offer for Sale**

The Offer for Sale has been authorized by a resolution of the Board of Directors of the Company passed at their meeting held on May 30, 2023 and approval of shareholders has been taken by passing special resolution passed under section 28 of the Companies Act, 2013 at an Extra-ordinary General Meeting held on May 31, 2023

The Selling Shareholders have authorized the transfer of Equity Shares pursuant to the Offer as set out in below table.

| <b>Name of Selling Shareholder</b> | <b>Date of Consent Letter</b> | <b>Number of Equity Shares offered for sale</b> |
|------------------------------------|-------------------------------|---|
| Mr. Rajesh Kumar Sodhani           | June 29, 2023                 | Up to 4,75,000                                  |
| Mrs. Priya Sodhani                 | June 29, 2023                 | Up to 85,000                                    |

The Equity shares being offered by the Selling Shareholders have been held for a period of at least one year prior to the date of filing of this Draft Prospectus and, hence, eligible for being offered for sale in the Offer. The Selling Shareholders have confirmed that they have not been prohibited from dealings in securities market and the Equity Shares offered and to be sold are free from any lien, encumbrance or third-party rights.

Our Company has obtained in-principle approval from the SME Platform of BSE for using its name in this Draft Prospectus/Prospectus pursuant to an approval letter dated [●] BSE is the Designated Stock Exchange.

### **PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

Further, our company, promoters, selling shareholders, members of the promoter group, directors, are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### **PROHIBITION BY RBI**

Neither our Company nor any of our Promoters or Directors has been declared as wilful defaulter(s) or fraudulent borrower by the RBI or any other governmental authority.

### **DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET**

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Prospectus.



## **COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018**

Our Company, Selling Shareholders, our Promoters and member of our Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Draft Prospectus.

## **ELIGIBILITY FOR THE OFFER**

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

This Offer is being made in terms of Regulation 229(1) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Offer face value capital does not exceed ten crores’ rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

Each of the Selling Shareholders has, severally and not jointly, confirmed that it has held its respective portion of offered shares for a period of at least one year prior to the date of filing of this Draft Prospectus and that it is in compliance with the SEBI ICDR Regulations and are eligible for being offered in the Offer for sale.

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on February 03, 2009 under the Companies Act, 1956 with the Registrar of Companies Rajasthan, Jaipur.
2. The Post-Offer Paid-Up Capital of the Company shall not be more than rupees twenty-five crores.
3. As per the Restated Financial Statements disclosed in this Draft Prospectus, the Net worth of our company (excluding revaluation reserves) of the Company is ₹ 563.17 Lakhs as on November 30, 2023, and hence is positive. The Net worth as on November 30, 2023 based on the Restated Financial Statements was calculated as the sum of share capital and reserves & surplus.
4. As per Restated Financial Statements, the net tangible assets are ₹ 562.27 Lakhs as on November 30, 2023, hence more than ₹150.00 Lakhs as on the date of filing of this Draft Prospectus.

*Note: The Net Tangible Assets as on November 30, 2023 based on the Restated Financial Statements was calculated as the sum of fixed assets (including capital work-in-progress and excluding revaluation reserves and intangible assets), current assets (excluding deferred tax assets) less total liabilities the net worth minus intangible assets.*

5. Our Company has positive cash accruals (Earnings before depreciation and tax) in preceding financial years. As per Restated Financial Statements, the cash accruals accounted for financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 was ₹ 175.44 Lakhs, ₹ 173.40 Lakhs and ₹ 25.00 Lakhs respectively.
6. Our Company has completed its operation for three years.
7. Our company has website: [www.safefintech.in](http://www.safefintech.in).

## **Other Disclosures:**

1. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
2. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.

3. There is no winding up petition against the company, which has been accepted by the National Company Law Tribunal (NCLT).
4. There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
5. Our company shall facilitate trading in demat securities before filing Prospectus with ROC, our company has entered into an agreement with both the depositories.
6. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

1. 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 BSE SME. BSE is the Designated Stock Exchange.
2. Our Company has entered into an agreement dated June 07, 2023 with NSDL and agreement dated June 06, 2023 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
3. The entire pre-Offer capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be offered pursuant to this IPO will be fully paid-up.
4. The entire Equity Shares held by the Promoters are in the dematerialization form.
5. Since the entire fund requirement are to be funded from the proceeds of the Offer, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Offer.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

1. Neither our Company nor our Promoters, Selling Shareholders, members of our Promoter Group or our Directors is debarred from accessing the capital markets by the SEBI.
2. None of our Promoters or Directors is Promoter or director of any other companies which are debarred from accessing the capital markets by the SEBI.
3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.
4. None of our Promoters or Directors is a fugitive economic offender.

We further confirm that:

1. In accordance with Regulation 246 of the SEBI ICDR Regulations, the lead manager shall ensure that the issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Offer has been one hundred percent (100%) underwritten and that the Lead Manager to the Offer has underwritten at least 15% of the Total Offer Size. For further details, pertaining to said underwriting please see "*General Information*" beginning on page 43 of this Draft Prospectus.

3. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable laws.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Offer.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER 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 OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT AND THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE OFFER DOCUMENT IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES, 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, SRUJAN ALPHA CAPITAL ADVISORS LLP HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 30, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.**

**Note:** All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26, 28 and 30 of the Companies Act, 2013.

## **DISCLAIMER FROM OUR COMPANY, SELLING SHAREHOLDERS AND THE LEAD MANAGER**

Our Company, the Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.safefintech.in](http://www.safefintech.in) or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Offer Agreement, Underwriting Agreement to be entered into between the Underwriter, our Company and Selling Shareholders and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company, the Selling Shareholders and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.

Our Company, the Selling Shareholders and the Lead Manager shall make all information available 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 or at collection centres etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company, the Selling Shareholders and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Srujan Alpha Capital Advisors LLP is not an associate of the Company and is eligible to be appointed as the Lead Manager in this Offer, under SEBI MB Regulations.

Investors who apply in this Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, the Selling Shareholders and the Lead Manager 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 Equity Shares.

Neither our Company, the Selling Shareholders nor Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Further, the selling shareholders will be severally responsible for the respective statements confirmed or undertaken by it in this Prospectus in relation to itself and its respective portion of the offered shares.

## **DISCLAIMER IN RESPECT OF JURISDICTION**

This Offer is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorized under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company and Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE BSE**

As required, a copy of the Draft Prospectus shall be submitted to the BSE SME. The Disclaimer Clause as intimated by the BSE SME to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever required, agrees that such applicant will not sell or transfer any Equity Share 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.

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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **LISTING**

Application have been made to BSE SME for obtaining permission for listing of the Equity Shares being offered and sold in the Offer on its BSE SME after the allotment in the Offer. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

Our company has obtained In-principle approval from BSE vide letter dated [●] to use name of BSE in the Prospectus for listing of equity shares on BSE SME.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME, the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus in accordance with applicable law and the Selling Shareholders will be liable to reimburse our Company for any such repayment of monies, on its behalf, with respect to their Offered Shares. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of any of the Selling Shareholders with regard to interest on such refunds will be reimbursed by such Selling Shareholder in proportion to its respective portion of the Offered Shares. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay and/or reimburse any expenses towards refund or any interest thereon for any delay, unless such delay has been caused by any act or omission solely and directly attributable to such Selling Shareholder and in any other case the Company shall take on the responsibility to pay interest. It is clarified that such liability of a Selling Shareholder shall be limited to the extent of its respective portion of the Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange are taken within six Working Days from the Offer Closing Date or within such other period as may be prescribed. The Selling Shareholders confirm that it shall extend complete co-operation required by our Company and the LM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within six Working Days from the Offer Closing Date, or within such other period as may be prescribed. If our Company does not Allot the Equity Shares within six Working Days from the Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be unblocked, without interest, failing which interest shall be due to be paid to the Applicants at the rate of 15% per annum for the delayed period, subject to applicable law.

## CONSENTS

Consents in writing of: (a) The Directors, Promoters, Selling Shareholders, the Chief Financial Officer, Chief Operating Officer, Company Secretary & Compliance Officer, the Statutory Auditors; and (b) the Lead Manager, Registrar to the Offer, the Legal Advisors to the Offer, Bankers to the Offer<sup>(1)</sup>, Share Escrow Agent<sup>(1)</sup>, Bankers to the company, Market Maker<sup>(1)</sup> and Underwriter<sup>(1)</sup> to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 and 28 of the Companies Act, 2013.

*<sup>(1)</sup> The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, M/s J C Kabra & Associates, Chartered Accountants, have provided their written consent to the inclusion of their reports dated December 27, 2023 on Restated Financial Statements and to the inclusion of their reports dated December 28, 2023 on Statement of Possible Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

## EXPERT OPINION

Except the report of the Statutory Auditor on statement of possible tax benefits and report on Restated Financial Statements for period ended November 30, 2023 and the financial years ended March 31, 2023, 2022 and 2021 as included in this Draft Prospectus, our Company has not obtained any expert opinion.

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

## PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI ICDR Regulations and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

## COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

## CAPITAL OFFERS DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in Chapter titled “*Capital Structure*” on page 52 of Draft Prospectus, our Company has not made any capital offer during the previous three years.

We do not have any Group Company or Subsidiary or Associate as on date of this Draft Prospectus.

## PERFORMANCE VIS-À-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 53 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

We do not have any Group Company or Subsidiary or Associate as on date of this Draft Prospectus.

## PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

| Sr. No. | Issue name                      | Issue size (₹ Crores) | Issue price (₹) | Listing Date     | Opening price on Listing Date (₹) | +/- % 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.      | Dharni Capital Services Limited | 10.74                 | 20.00           | January 31, 2023 | 20.25                             | +1.50%<br>[-0.23%]   | +3.00%<br>[+3.03%]   | +20.05<br>[+11.72%]   |
| 2.      | Kontor Space Limited            | 15.62                 | 93.00           | October 10, 2023 | 73.75                             | -10%<br>[-1.25%]   | -11%<br>[+6.50%]   | NA  |

Source: [www.bseindia.com](http://www.bseindia.com)

Source: <https://www.nseindia.com>

**Note:** Rights Issues lead managed by Srujan Alpha Capital Advisors LLP have not been included in the abovementioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.

**Summary statement of price information of past issues handled by Srujan Alpha Capital Advisors LLP:**

| Financial Year | Total no. of IPOs | Total funds raised (₹ Crores) | Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date |                   |               | Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date |                   |               | Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date |                   |               | Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date |                   |               |
|----------------|-------------------|-------------------------------|--|-------------------|---------------|---|-------------------|---------------|--|-------------------|---------------|---|-------------------|---------------|
|                |                   |                               | 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% |
| 2023-2024      | 1 <sup>(2)</sup>  | 15.62                         | -  | -                 | 1             | -   | -                 | -             | -  | -                 | -             | -   | -                 | -             |
| 2022-2023      | 1 <sup>(1)</sup>  | 10.74                         | -  | -                 | -             | -   | -                 | 1             | -  | -                 | -             | -   | -                 | 1             |
| 2021-2022      | -                 | -                             | -  | -                 | -             | -   | -                 | -             | -  | -                 | -             | -   | -                 | -             |

(1) The scrip of Dharni Capital Services Limited was listed on January 31, 2023

(2) The Scrip of Kontor Space Limited was listed on October 10, 2023

**Notes:**

1. The BSE SENSEX and Nifty are considered as the Benchmark Index.
2. Price on BSE and NSE are considered for all the above respective calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the next trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager.

**TRACK RECORD OF PAST ISSUES HANDLED BY LEAD MANAGER**

For details regarding track record of the Lead Manager to the Offer 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 Lead Manager at: [www.srujanalpha.com](http://www.srujanalpha.com)

**STOCK MARKET DATA OF EQUITY SHARES**

This being an initial public Offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

**MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Company and the Selling Shareholders has appointed as the Registrar to the Offer, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Offer will handle investor's grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the



Registrar to the Offer in attending to the grievances to the investor.

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 Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company will obtain authentication on the SCORES and will comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 and any amendment thereto, in relation to redressal of investor grievances through SCORES, prior to filing the Prospectus.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All grievances relating to Applications submitted with the Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Applicants shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Our Company, Selling Shareholders, the LM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of any SCSB, Registered broker, Syndicate member, RTA or CDP including any defaults in complying with its obligations under the SEBI ICDR Regulations.

## **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 OUR COMPANY**

The Company and the Selling Shareholders has appointed Registrar to the Offer, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Offer to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Offer will handle investor's grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Selling Shareholders, the Lead Manager and

the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Director(s) held on June 1, 2023. For further details on the Committees, please refer to the section titled “Our Management” beginning on page 119 of this Draft Prospectus.

**Our Company has appointed Ms. Monika Agarwal as the Compliance Officer to redress the complaints, if any, of the investors participating in the Offer.**

Contact details for our Compliance Officer are as follows:

Ms. Monika Agarwal  
P No. C 373, First Floor, C Block Vaishali Nagar,  
Jaipur-302021, Rajasthan, India  
Tel No: 0141- 2358107  
Email: [compliance.safe31@gmail.com](mailto:compliance.safe31@gmail.com)  
Website: [www.safefintech.in](http://www.safefintech.in)

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

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

## **SECTION X – OFFER INFORMATION**

### **TERMS OF THE OFFER**

*The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, our Memorandum and Articles of Association, SEBI LODR Regulations, the terms of the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities offered from time to time by SEBI, the Government of India, the BSE SME, the RBI, ROC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Offer.*

### **AUTHORITY FOR THE OFFER**

The present Public offer of upto 15,30,000 equity shares includes a Fresh issue upto 9,70,000 Equity shares and an Offer for Sale by the Selling Shareholders up to 5,60,000 equity shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on May 30, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on May 31, 2023 in accordance with the provisions of Sections 28, 62(1)(c) other applicable provisions, if any, of the Companies Act, 2013.

The Offer for Sale has been authorized by the Selling Shareholders by their consent letter dated 29 June, 2023.

| <b>Name of the Selling Shareholders</b> | <b>Type</b>                  | <b>No of Equity Shares offered</b> |
|---|------------------------------|------------------------------------|
| Mr. Rajesh Kumar Sodhani                | Promoter Selling Shareholder | up to 4,75,000                     |
| Mrs. Priya Sodhani                      | Promoter Selling Shareholder | up to 85,000                       |

### **RANKING OF EQUITY SHARES**

The Equity Shares being offered shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “*Main Provisions of the Articles of Association*” beginning on page 230 of this Draft Prospectus.

### **MODE OF PAYMENT OF DIVIDEND**

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI LODR Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Applicants who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on page 138 and 230 respectively of this Draft Prospectus.

### **FACE VALUE AND OFFER PRICE**

The Equity Shares having a face value of ₹10.00 each are being offered in terms of this Draft Prospectus at the price of ₹ [●] per Equity Share. The Offer Price is determined by our Company and Selling Shareholders in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Offer Price*” beginning on page 73 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.

### **RIGHTS OF THE EQUITY SHAREHOLDERS**

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page 230 of this Draft Prospectus.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE SME from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants.

Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.

#### **JOINT HOLDERS**

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

#### **JURISDICTION**

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, 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 only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) 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.

#### **NOMINATION FACILITY TO INVESTORS**

In accordance with Section 72 (1) & 72 (2) 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 (3) 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 accordance to Section 72 (4) of the Companies Act, 2013, 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 Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. 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 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 Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

## OFFER PROGRAM

|                        |     |
|------------------------|-----|
| <b>Offer Opens on</b>  | [●] |
| <b>Offer Closes on</b> | [●] |

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

|  |                  |
|--|------------------|
| <b>Finalization of Basis of Allotment with the Designated Stock Exchange</b> | On or before [●] |
| <b>Initiation of Refunds / unblocking of funds from ASBA Account*</b>        | On or before [●] |
| <b>Credit of Equity Shares to demat account of the Allottees</b>             | On or before [●] |
| <b>Commencement of trading of the Equity Shares on the Stock Exchanges</b>   | On or before [●] |

*\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchange Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding -Two Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding Two Working Days from the Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The post Offer LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and the Applicant shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 which for the avoidance of doubt shall be deemed to be*

*incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

In terms of Regulation 265 of SEBI ICDR Regulations, the Offer shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.

In terms of Regulation 266 (3) of SEBI ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Offer Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of Regulation 266(1).

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company and Selling Shareholders, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within Three Working Days from the Offer Closing Date or such other period as may be prescribed by SEBI.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Offer Period (except for the Offer Closing Date). On the Offer Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Investors after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Offer Closing Date, the Applicants are advised to submit their applications one day prior to the Offer Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Offer Closing Date, as is typically experienced in public offerings, 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 the Offer. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

The above timetable is indicative and does not constitute any obligation or liability on our Company, our Promoters, the Selling Shareholders or the Lead Managers. Whilst our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within Three (3) Working Days from the Offer Closing Date or such period as may be prescribed, with reasonable support and co-operation of the Promoter, as may be required in respect of its respective portion of the offered Shares, the timetable may change due to various factors, such as extension of the Offer Period by our Board, as applicable, in consultation with the Lead Managers. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within Six Working Days from the Offer Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Lead Managers will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding -Two (2) Working Days from the Offer Closing Date, the Applicant shall be compensated for the entire duration of delay exceeding Four (4) Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post Offer timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Prospectus/Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis

within 60 minutes of the Offer closure time from the Offer Opening Date till the Offer Closing Date by obtaining the same from the Stock Exchange. The SCSB's shall unblock such applications by the closing hours of the Working Day.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

In case of force majeure, banking strike or similar circumstances, the Issuer may, for reasons to be recorded in writing, extend the (Offer) period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Offer Period not exceeding ten (10) working days.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Investors can revise or withdraw their Applications prior to the Offer Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Offer 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## **MINIMUM SUBSCRIPTION**

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Offer through the Offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within 15 days from the closure of the Offer, if there is a delay beyond such time, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest as prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and applicable laws.

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs shall be unblocked within -Two (2) working days of closure of Offer.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Offer shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Offer through this Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not 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 application law of such jurisdiction.

## **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME.

## **WITHDRAWAL OF THE OFFER**

Our Company and Selling Shareholders in consultation with the Lead Manager, reserve the right to not to proceed with the Offer after the Offer Opening Date but before the Allotment. In such an event, our Company would Offer a public notice in

the newspapers in which the pre-Offer advertisements were published, within two (2) days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Manager through, the Registrar to the Offer, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Applicants within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Offer is withdrawn after the designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is registered with the ROC. If our Company and Selling Shareholders withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer, our Company shall file a fresh Draft Prospectus.

## **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

The lock-in of the pre-offer capital of our Company as provided in “*Capital Structure*” beginning on page 53 of this Draft Prospectus and except as provided in our 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. For details, see “*Main Provisions of the Articles of Association*” beginning on page 228 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, the Selling Shareholders and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, the Selling Shareholders and the Lead Manager 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.*

## **NEW FINANCIAL INSTRUMENTS**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Offer. Further, our Company is not issuing any new financial instruments through this Offer.

## **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS OFFER.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

## **ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Offer shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. In this context, two Tripartite agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated June 07, 2023 between NSDL, our Company and Registrar to the Offer; and
- Tripartite Agreement dated June 06, 2023 between CDSL, our Company and Registrar to the Offer.



## **MIGRATION TO MAIN BOARD**

In accordance with the BSE Circular dated November 26, 2012, and consequent circulars, our Company will have to be mandatorily listed and traded on the BSE SME 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, our Company may migrate to the mainboard of BSE from the BSE SME on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above ₹25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to 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.
2. If the paid-up capital of the Company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **MARKET MAKING**

The shares offered through this Offer are proposed to be listed on the BSE SME with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on BSE SME. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 44 of this Draft Prospectus.

## OFFER STRUCTURE

This Offer is being made in terms of Regulation 229 (1) of the Chapter IX of SEBI ICDR Regulations, as amended from time to time, whereby, our post Offer face value capital does not exceed ten crore rupees. The Company shall Offer specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the BSE SME). For further details regarding the salient features and terms of such this Offer, please see the chapters titled “Terms of the Offer” and “Offer Procedure” beginning on page 197 and 206 respectively, of this Draft Prospectus.

### OFFER STRUCTURE

Initial Public Offer of up to 15,30,000 Equity Shares for cash at an Offer Price of ₹ [●] per Equity Share comprising of Fresh Offer of up to 9,70,000 Equity Shares for cash at an Offer Price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs by our Company and Offer for sale of up to 5,60,000 Equity Shares for cash at an Offer Price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs by the Selling Shareholders.

The Offer comprises a reservation of up to [●] Equity Shares of face value of ₹10.00 each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Offer to Public of up to [●] Equity Shares of face value of ₹10.00 each (“the Net Offer”). The Offer and the Net Offer will constitute [●] % and [●] %, respectively of the post Offer paid-up equity share capital of the Company. The Offer is being made through the Fixed Price Process.

| Particulars   | Net Offer to Public   | Market Maker Reservation Portion        |
|---|---|---|
| Number of Equity Shares available for allocation <sup>(1)</sup> | [●] Equity Shares   | [●] Equity Shares                       |
| Percentage of Offer Size available for Allocation               | [●] % of the Offer Size   | [●] % of the Offer Size                 |
| Basis of Allotment  | Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each <sup>(1)</sup><br><br>For further details please refer section explaining the Basis of Allotment in the GID  | Firm Allotment                          |
| Mode of Application <sup>^</sup>                                | All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Individual Investors using Syndicate ASBA)   |   |
| Mode of Allotment   | Compulsorily in dematerialized form   |   |
| Minimum Application Size  | <i>For Other than Retail Individual Investors:</i><br><br>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000<br><br><i>For Retail Individuals Investors:</i><br><br>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹ 2,00,000                                | [●] Equity Shares of Face Value ₹ 10.00 |
| Maximum Application Size  | <i>For Other than Retail Individual Investors:</i><br><br>Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to applicable limits to the Applicant<br><br><i>For Retail Individuals Investors:</i><br><br>Such number of Equity Shares in multiples of [●] Equity Shares such that the application value does not exceed ₹2,00,000 | [●] Equity Shares of Face Value ₹ 10.00 |

| Particulars                     | Net Offer to Public   | Market Maker Reservation Portion   |
|---------------------------------|---|--|
| Trading Lot                     | [●] Equity Shares   | [●] Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI ICDR Regulations |
| Who can Apply <sup>(2)</sup>    | <p><i>For Other than Retail Individual Investors:</i></p> <p>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts</p> <p><i>For Retail Individuals Investors:</i></p> <p>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs</p> | Market Maker   |
| Terms of Payment <sup>(3)</sup> | The entire Application Amount will be payable at the time of submission of the Application Form   |  |
| Application Lot Size            | [●] Equity Share and in multiples of [●] Equity Shares thereafter   |  |

<sup>^</sup> As specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchange shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Retail Individual Investors, QIBs, Non-Institutional Investors, and also for all modes through which the applications are processed.

(1) Since present Offer is a fixed price Offer, the allocation in the net Offer to the public category in terms of Regulation 253(2) of the SEBI ICDR Regulations, 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 - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the Offer size on a proportionate basis, the retail individual investors shall be allocated that higher percentage."*

(2) In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. 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.

(3) In case of ASBA Applicants, the SCSB shall be authorized to block such funds in the bank account of the ASBA Applicant (including Individual Investors applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB.

This Offer is being made in terms of Chapter IX of the SEBI ICDR Regulations. For further details, please refer chapter titled "Offer Procedure" beginning on page 206 of this Draft Prospectus.

## OFFER PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issue (“GID”) prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 which is issued in supersession of the Circular SEBI Circular CIR/CFD/DIL/12/2013 dated October 23, 2013 & UPI Circular which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of Stock Exchange(s), the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Offer; (vi) price discovery and allocation; (vii) General Instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanisms for RIIs applying through Designated Intermediaries have been made effective along with the existing process and existing timeline of T+3 days (“UPI Phase I”). The same was applicable until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+3 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 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 01, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of the Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. If the Offer is made under UPI Phase III, the same will be advertised in all editions of the English national daily newspaper, all editions of the Hindi national daily newspaper, regional edition of the regional daily newspaper on or prior to the Offer Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their website. Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Offer Closing Date, the Applicant shall be compensated as per the UPI Circulars for the entire duration of delay exceeding Four (4) Working Days from the Offer 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, Selling Shareholders and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

Further, the Company, Selling Shareholders and the Lead Manager are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Offer.

## **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued UPI Circulars in relation to streamlining the process of public Offer of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public Offer closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Investor would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public Offer closure to listing would continue to be six working days.

**Phase II:** This phase commenced on completion of Phase I, i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public offer closure to listing would continue to be six working days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public Offer closure to listing is proposed to be reduced to three working days.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars 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 applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-offer LM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Offer Opening Date. All SCSBs offering facility of making application in public Offers shall also provide facility to make application using UPI.

Our Company and the Selling Shareholders will be required to appoint one or more of the SCSBs as a 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 Investors.

The processing fees may be released to the remitter banks (SCSBs) only after an application is made by the SCSBs to the LM with a copy to the Registrar, 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 in accordance with April 20, 2022 Circular.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

## **FIXED PRICE OFFER PROCEDURE**

The Offer is being made in compliance with the provisions of Chapter IX of SEBI ICDR Regulations through a Fixed Price Process wherein 50% of the Net Offer is allocated for Retail Individual Investors and the balance shall be offered to individual applicants other than Retail Individual Investors and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Retail Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Offer Price.

Additionally, if the Retail Individual Investors category is entitled to more than 50% on proportionate basis, the Retail Individual Investors shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Investors shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UIP ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.**

## **AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS**

Copies of the Application Form and the Abridged Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Offer Opening Date.

All Applicants (other than Applicants using the UPI mechanism) shall mandatorily participate in the Offer only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Retail Individual Investors may participate in the Offer through UPI by providing details in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

| <b>Category</b>  | <b>Colour of Application Form</b> |
|--|-----------------------------------|
| Resident Indians / 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.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for

payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For RIIs using UPI mechanism, the Stock Exchanges shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Banker to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Offer. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”):

1. An SCSB, with whom the bank account to be blocked, is maintained
2. A syndicate member (or sub-syndicate member)
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4. A Depository Participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5. A Registrar to an Offer and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

|  |  |
|--|--|
| <b>For Applications submitted by Investors to SCSBs:</b>                           | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.   |
| <b>For applications submitted by investors to intermediaries other than SCSBs:</b> | After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer. |

**For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:**

After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non- SCSB bank or any Escrow Collection Bank.

**Who Can Apply?**

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. 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 Kartal. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;



11. Foreign Venture Capital Investors registered with the SEBI;
12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
  - (a) Minors (except through their Guardians)
  - (b) Partnership firms or their nominations
  - (c) Foreign Nationals (except NRIs)
  - (d) Overseas Corporate Bodies

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### **For Retail Individual Investors**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹2,00,000.

### **For Other than Retail Individual Investors (Non-Institutional Investors and QIBs)**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI ICDR Regulations, a QIB Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in**

**this Draft Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of 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.**

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio). For applications where the proportionate allotment works out to less than [●] Equity shares the allotment will be made as follows:
  - (a) Each successful applicant shall be allotted [●] Equity shares; and
  - (b) The successful applicants out of the total applicants for that category shall be determined by the 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.
3. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] Equity shares subject to a minimum allotment of [●] Equity shares.
4. 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 nearest multiple of [●] Equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
5. The above proportionate allotment of shares in an Offer that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
  - (a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - (b) The balance net offer of shares to the public shall be made available for allotment to:
    - i) Individual applicants other than retails individual investors; and
    - ii) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - (c) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.
6. Retail Individual Investors' 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 Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Offer 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.

## **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTERS/ PROMOTER GROUP**

The Lead Manager shall not be entitled to subscribe to this Offer in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Offer, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. The Promoters, the Selling Shareholders, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Offer.

#### **APPLICATIONS BY MUTUAL FUNDS**

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 and the Selling Shareholders in consultation with Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

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.

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.

#### **APPLICATIONS BY HUFs**

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

#### **APPLICATIONS BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents. (White in colour).

Participation by Eligible NRIs in the Offer shall be subject to the FEMA Non -Debt Instruments Rules. Only Applications accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants offered by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For further details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 228 of this Draft Prospectus.

## **APPLICATIONS BY FPIs AND FIIs**

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Non-Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 49% of the paid-up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company and Selling Shareholders reserves the right to reject any application without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalization of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments. FPIs are permitted to participate in the Offer 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 21 of the SEBI FPI Regulations, an FPI, may Offer, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is offered overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are offered only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are offered only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are offered after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, 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 offered 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.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, inter alia, the following conditions:

- (a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Offer is advised to use the Application Form for non-residents.

Further, Applications received from FPIs bearing the same PAN will be treated as multiple Applications and are liable to be rejected, except for Applications from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure “MIM Structure”) provided such application have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple application received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid application, FPIs making multiple applications using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications will be rejected.

#### **APPLICATIONS BY SEBI REGISTERED AIF, VCF AND FVCI**

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company, Selling Shareholders or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company and Selling Shareholders in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our company and selling shareholders in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

Equity shares of a company: the lower of 10%<sup>(1)</sup> of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;

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 a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, 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) or (iii) above, as the case may be.

*(1) The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of Rs.2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs.500,000 million or more but less than Rs.2,500,000 million.*

Insurer companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars Issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

#### **APPLICATIONS BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs25 Crores, 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, the Company and selling shareholders reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company and selling shareholders consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (“Banking Regulation Act”), and the Reserve Bank of India (“Financial Services provided by Banks”) Directions, 2016, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks’ interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a 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. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company’s paid-up share capital and reserves.

#### **APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by systemically important non-banking financial companies registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company and selling shareholders in consultation with the LM, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

## **APPLICATIONS BY SCSBS**

SCSBS participating in the Offer is required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. 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 publicOffers and clear demarcated funds should be available in such account for such applications.

The information set out above is given for the benefit of the Applicants. Our Company, Selling Shareholders and the LM are not liable for any amendments or modification or changes to 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 any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus and the Prospectus.

## **APPLICATION UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of Rs250 million (subject to applicable laws) and pension funds with a minimum corpus of Rs250 million (subject to applicable laws), 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 and Selling Shareholders in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company and Selling Shareholders in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form.

**In accordance with RBI regulations, OCBs cannot participate in the Offer.**

## **OFFER 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**

The Designated Intermediaries shall accept applications from the Applicants during the Offer Period.

The Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Offer Period may be extended, if required, by an additional three Working Days, subject to the total Offer Period not exceeding 10 Working Days.

During the Offer Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

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 Offer.

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.

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.

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.

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.

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.

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 Offer Account, or until withdraw/ failure of the Offer or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer 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 Offer Account. In case of withdrawal/ failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

## **TERMS OF PAYMENT**

The entire Offer price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer 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 Individual Investors 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 Offer 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 Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer 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 ICDR Regulations, 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 Offer 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 Offer, 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 Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer 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 Offer 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 along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.
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 the on-line system:
  - (a) Name of the Applicant;
  - (b) IPO Name;
  - (c) Application Form Number;
  - (d) Investor Category;
  - (e) PAN (of First Applicant, if more than one Applicant);
  - (f) DP ID of the demat account of the Applicant;
  - (g) Client Identification Number of the demat account of the Applicant;
  - (h) Number of Equity Shares Applied for;
  - (i) Bank Account details;
  - (j) Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - (k) 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 Individual Investors and Retail Individual Investors, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject

applications, except on technical grounds.

12. The permission given by the Stock Exchange 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 Promoters, 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 Exchange.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer 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 Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

Our company and Selling Shareholders have entered into an Underwriting Agreement dated [●].

#### **FILING OF PROSPECTUS WITH ROC**

A copy of Prospectus will be filed with the ROC in terms of Section 26 and 28 of The Companies Act, 2013.

#### **ISSUANCE OF ALLOTMENT ADVICE IN THE OFFER**

Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Offer shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Offer.

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 Offer. The Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Offer 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 Offer Account to Public Offer account of the issuer.

#### **DESIGNATED DATE**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **GENERAL INSTRUCTIONS**

**Do's:**

1. Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their applications through the ASBA process only;
2. Ensure that you have apply within the Price Band
3. Read all the instructions carefully and complete the Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID and Bank Account Number (UPI ID, as applicable) are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Investors using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
6. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number and such ASBA account belongs to you and no one else if you are not an RII using the UPI Mechanism in the Application Form (with maximum length of 45 characters) and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;
7. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for Retail Individual Investors using the UPI Mechanism) to make an application in the Offer. Retail Individual Investors using the UPI Mechanism shall ensure that the bank with which they have their bank account where the funds equivalent to the Application Amount are available for blocking, is UPI 2.0 certified by NPCI;
8. If the first applicant is not the bank account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form (for all Applicants other than Retail Individual Investors, bidding using the UPI Mechanism);
9. All Applicants should submit their Applications through the ASBA process only;
10. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
11. Retail Individual Investors submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Application is listed on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in);
12. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement of your Application;
14. Retail Individual Investors using the UPI mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
15. Instruct your respective banks to release the funds blocked in accordance with the ASBA process;
16. Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
17. Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN

allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
20. Ensure that the correct investor category and the investor status is indicated in the Application Form;
21. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
22. Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
23. Ensure that you use only your own bank account linked UPI ID (only for Retail Individual Investors using the UPI Mechanism) to make an application in the Offer;
24. Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case maybe, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
25. Applicants, other than Retail Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form to the relevant Designated Intermediaries;
26. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;
27. In case of ASBA Applicants (other than Retail Individual Investors using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
28. Once the Sponsor Bank Issues the UPI Mandate Request, the Retail Individual Investors would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request;
29. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
30. Retail Individual Investors who wish to revise their applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which Retail Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount in the Retail Individual Investors ASBA Account.

31. Retail Individual Investors using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
32. Retail Individual Investors applied using the UPI Mechanism should mention valid UPI ID of only the applicant (in case of single account) and of the first applicant (in case of joint account) in the Application Form;
33. Retail Individual Investors using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner;
34. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form;
36. Retail Individual Investors shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Offer Closing Date.
37. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
38. UPI Applicants using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Applicants shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019.

**Don'ts:**

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not apply by another Application Form after submission of Application to the Designated Intermediary.
4. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
5. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not submit the Application Forms to any non-SCSB bank or our Company;
7. Do not apply on a physical Application Form that does not have the stamp of the relevant Designated Intermediary;
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not submit more than one Application Forms per ASBA Account;
10. Do not submit the Application Forms to any Designated Intermediary that is not authorized to collect the relevant Application Forms or to our Company;
11. Do not apply for an Application Amount exceeding Rs. 200,000 (for Applications by Retail Individual Investors);
12. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;

13. Do not submit the General Index Register number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
15. Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
16. If you are a Retail Individual Investor and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
17. If you are a Retail Individual Investor and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
18. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
19. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
20. Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
21. Do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise their applications during the Offer Period and withdraw their Applicants on or before the Offer Closing Date;
22. Do not apply for shares more than specified by respective Stock Exchanges for each category;
23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Retail Individual Investor using the UPI mechanism;
24. Do not submit incorrect UPI ID details, if you are a Retail Individual Investors applying through UPI Mechanism;
25. If you are a Non-Institutional Investor or Retail Individual Investor, do not submit your application after 3.00 p.m. on the Offer Closing Date;
26. Do not apply if you are an OCB.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

For helpline details of the Lead Manager pursuant to the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information – Lead Manager to the Offer*” on page 44 of this Draft Prospectus.

| <b> GROUNDS</b> | <b> FOR</b> | <b> TECHNICAL</b> | <b> REJECTIONS</b> |
|-----------------|-------------|-------------------|--------------------|
|-----------------|-------------|-------------------|--------------------|

In addition to the grounds for rejection of Application on technical grounds as provided in the “*General Information Document*” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;

3. Applications submitted on a plain paper;
4. Applications submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Applications submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID;
6. Applications by HUFs not mentioned correctly as given in the sub-section “Who can Apply?” on page 210 of this Draft Prospectus;
7. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Application submitted without the signature of the First Applicant or sole Applicants;
9. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Application by Retail Individual Investors with Application Amount for a value of more than Rs. 200,000
12. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Applications by Applicants (who are not Anchor Investors) accompanied by cheques or demand drafts;
14. Applications accompanied by stock invest, money order, postal order or cash;
15. Application by OCB.

For further details of grounds for technical rejections of Application Form, please refer to the General Information Document and UPI Circulars.

For details of instruction in relation to the Application Form, please refer to the General Information Document and UPI Circulars.

## **INVESTOR GRIEVANCE**

In case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled “General Information” on page 44 of this Draft Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Offer Closing Date, the Applicant shall be compensated as per the UPI Circulars 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.

## **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 Lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 Lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 Lakhs or with both.

## **DEPOSITORY ARRANGEMENTS**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

1. Agreement dated June 07, 2023 among NSDL, our Company and the Registrar to the Offer.
2. Agreement dated June 06, 2023 among CDSL, our Company and Registrar to the Offer.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
2. all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six working days of the Offer Closing Date or within such other time period prescribed by SEBI will be taken;
3. the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
4. if Allotment is not made within six working days from the Offer Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
5. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. that if our Company and Selling Shareholders do not proceed with the Offer after the Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
7. that if our Company and Selling Shareholders withdraw the Offer after the Offer Closing Date, our Company shall be required to file a fresh issue document with Stock Exchange, in the event our Company or subsequently decide to proceed with the Offer;
8. adequate arrangements shall be made to collect all Application Forms from Applicants.
9. the Promoters' contribution in full, wherever required, shall be brought in advance before the Offer opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public.



## **SHAREHOLDERS UNDERTAKINGS BY THE SELLING**

Each Selling Shareholder undertakes, severally and not jointly, in respect of itself as a selling shareholder and its respective portion of its Offered Shares that:

- the Offered Shares are eligible for being offered in the Offer for Sale in terms of the SEBI ICDR Regulations;
- it is the legal and beneficial owner of the Offered Shares and the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer;
- it shall deposit its respective portion of the Offered Shares in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;
- it shall provide such reasonable assistance to our Company and the LM in redressal of such investor grievances that pertain to its respective portion of the Offered Shares;
- it shall provide such reasonable cooperation to our Company in relation to its respective portion of the Offered Shares for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange; and
- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchange has been received.

## **UTILIZATION OF NET PROCEEDS**

Our Board certifies that:

1. all monies received out of the Fresh Offer 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 Fresh Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Fresh Offer, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.
4. the utilization of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Offer Proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
5. the details of all unutilized 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 unutilized monies.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. 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”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI SAST Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Nondebt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the FDI policy, the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 206 of this Draft Prospectus. Each Applicant should seek independent legal advice about its ability to participate in the issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

**The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and, unless so registered, may not be issued 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 of the United States. Accordingly, the Equity Shares are only being issued and sold only outside the United States in offshore transactions in compliance with Regulation S under the U.S. 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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations, seek independent legal advice about its ability to participate in the issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations

## **SECTION XI : MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

### **Interpretation**

(1) In these regulations --

(a) “the Act” means the Companies Act, 2013,

(b) “the seal” means the common seal of the company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company. The Company shall mean Sodhani Academy of Fintech Enablers Limited

### **Share capital and variation of rights**

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, --

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or

by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

## **Lien**

9. (i) The company shall have a first and paramount lien --

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made --

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### **Calls on shares**

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (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.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board --

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid

upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### **Transfer of shares**

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. 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.

21. The Board may decline to recognize 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.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### **Transmission of shares**

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

### **Forfeiture of shares**

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall --

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;



(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **Alteration of capital**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

Subject to the provisions of section 61, the company may, by ordinary resolution, --

35. (a) consolidate and divide all or any of its share capital into shares of larger amount 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.

36. 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.

37. 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 profits**

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve --

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall --

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all 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 authorize 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.

### **Buy-back of shares**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### **General meetings**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **Proceedings at general meetings**

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **Adjournment of meeting**

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **Voting rights**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares, --

(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.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **Proxy**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **Board of Directors**

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

Provided that following shall be the first directors of the company:

A. Rajesh Kumar Sodhani

B. Priya Sodhani

59. (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.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **Proceedings of the Board**

65. (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.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time

appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

74. Subject to the provisions of the Act, --

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer

75. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **The Seal**

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **Dividends and Reserve**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments

(other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

### **Accounts**

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

### **Winding up**

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder --

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **Indemnity**

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



## **SECTION XII: OTHER INFORMATION**

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

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all Working Days (Monday to Friday) from the date of the Draft Prospectus until the Offer Closing Date.

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 Equity Shareholders, subject to compliance with applicable law.

#### **MATERIAL CONTRACTS**

1. Offer Agreement dated July 11, 2023 between our Company, the Selling Shareholders and the Lead Manager.
2. Registrar Agreement dated July 12, 2023 between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Tripartite agreement between the CDSL, our Company and the Registrar to the Offer dated June 06, 2023.
4. Tripartite agreement between the NSDL, our Company and the Registrar to the Offer dated June 07, 2023
5. Banker(s) to the Offer Agreement dated [●] between our Company, the Selling Shareholders, the Lead Manager, Banker(s) to the Offer and the Registrar to the Offer.
6. Market Making Agreement dated [●] between our Company, the Selling Shareholders, the Lead Manager and Market Maker.
7. Underwriting Agreement dated [●] between our Company, the Selling Shareholders, the Lead Manager and the Underwriter.
8. Share Escrow Agreement dated [●] between our Company, Selling Shareholders, the Lead Manager and the Share Escrow Agent.

#### **MATERIAL DOCUMENTS**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificate of Incorporation dated February 03, 2009 issued under the name Sodhani Financial Consultants Private Limited.
3. Copy of Fresh Certificate of Incorporation dated April 10, 2023 issued by Registrar of Companies, Rajasthan, Jaipur consequent to name change from “Sodhani Financial Consultants Private Limited” to “Sodhani Financial Consultants Limited” pursuant to the conversion of our Company into a Public Limited Company.
4. Copy of Fresh Certificate of Incorporation dated May 15, 2023 issued by Registrar of Companies, Rajasthan, Jaipur consequent to name change of our Company from “Sodhani Financial Consultants Limited” to “Sodhani Academy of Fintech Enablers Limited”.

5. Resolution of the Board of Directors dated May 30, 2023 in relation to the Offer.
6. Resolution of the Shareholders of our Company, passed at the Extra-Ordinary General Meeting held on May 31, 2023 in relation to the Offer.
7. Auditor's report for Restated Financial Statements dated December 27, 2023 included in this Draft Prospectus.
8. The Statement of Possible Tax Benefits dated December 28, 2023 from our Auditors included in this Draft Prospectus.
9. Copies of Audited Financial Statements of the Company for the period ended November 30, 2023 and financial year ended March 31, 2023 and financial year ended March 31, 2022, and March 31, 2021.
10. Consents of our Directors, Promoters, the Selling Shareholders, Company Secretary and Compliance Officer, Chief Financial Officer, Chief Operating Officer, Statutory Auditor, Banker(s) to the Company, Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, to act in their respective capacities.
11. Certificate on KPI's issued by the Auditors, namely M/s J C Kabra & Associates, Chartered Accountants dated December 28, 2023
12. Due Diligence Certificate dated December 30, 2023 filed with BSE and [●] to SEBI by the Lead Manager.
13. Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the BSE SME.

Any of the contracts or documents mentioned in the 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 the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

### DECLARATION BY SELLING SHAREHOLDERS

We hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Prospectus in relation to ourselves, as Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other person(s) in this Draft Prospectus.

#### SIGNED BY SELLING SHAREHOLDERS

|  |  |
|--|--|
| <p>Sd/-<br/><b>Mr. Rajesh Kumar Sodhani</b><br/>Promoter Selling Shareholder</p> | <p>Sd/-<br/><b>Mrs. Priya Sodhani</b><br/>Promoter Selling Shareholder</p> |
|--|--|

**Date:** December 30, 2023

**Place:** Jaipur

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, 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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as Amended, or the rules made there 137 under or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

|   |   |
|---|---|
| <p>Sd/-</p> <p><b>Priya Sodhani</b><br/>Chairperson and Non-Executive Director<br/><b>DIN: 02523843</b></p>       | <p>Sd/-</p> <p><b>Rajesh Kumar Sodhani</b><br/>Managing Director<br/><b>DIN: 02516856</b></p>                   |
| <p>Sd/-</p> <p><b>Dhiraj Malhotra</b><br/>Non-Executive and Non-Independent Director<br/><b>DIN: 07528401</b></p> | <p>Sd/-</p> <p><b>Jagadeesh Atukuri</b><br/>Non-Executive and Independent Director<br/><b>DIN: 08478109</b></p> |
| <p>Sd/-</p> <p><b>Shilpa Maheshwari</b><br/>Non-Executive and Independent Director<br/><b>DIN: 07431117</b></p>   | <p>Sd/-</p> <p><b>Deepak Kapoor</b><br/>Non-Executive and Independent Director<br/><b>DIN: 10159949</b></p>     |

### **SIGNED BY THE COO OF OUR COMPANY**

|   |
|---|
| <p>Sd/-</p> <p><b>Mr. Sanjay Bhatia</b><br/>Chief Operating Officer</p> |
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### **SIGNED BY THE CFO AND CS OF OUR COMPANY**

|   |   |
|---|---|
| <p>Sd/-</p> <p><b>Ms. Deepti Maheshwari</b><br/>Chief Financial Officer</p> | <p>Sd/-</p> <p><b>Ms. Monika Agarwal</b><br/>Company Secretary and Compliance officer</p> |
|---|---|

**Date:** December 30, 2023

**Place:** Jaipur