

SYLPH TECHNOLOGIES LTD
CIN: L36100MP1992PLC007102

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Gwalior, dated May 14, 1992 with the name 'MHFL Technologies Limited'. The Company on 05th May, 2005 changed its Name from 'MHFL Technologies Limited' to 'Sylph Technologies Ltd' issued by Registrar of Companies, Gwalior. The Corporate Identification Number of Our Company is L36100MP1992PLC007101. For further details refer to the section titled 'about the Company' beginning on Page 54 of this Draft Letter of Offer.

Registered Office: 201, E Johari Palace 51 M G Road, Indore Tukoganj, Indore, Madhya India 452001
Contact Details: 9977700223; **Contact Person:** Ms. Neelima Mahanot, Company Secretary & Compliance Officer;
Email-ID: svlph.t@yahoo.com **Website:** www.sylphtechnologies.com;

FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF OUR COMPANY

RIGHTS ISSUE OF UP TO [●]*FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹1.00/- (RUPEE ONE ONLY) ('EQUITY SHARES') EACH AT A PRICE OF ₹[●]/- (RUPEES [●] ONLY) PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●]/- (RUPEES [●] ONLY) PER EQUITY SHARE) ('ISSUE PRICE') ('RIGHT SHARES') FOR AN AMOUNT AGGREGATING UP TO ₹49,00,00,000 (RUPEES FOURTY NINE CRORE ONLY) ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE SHAREHOLDERS OF SYLPH TECHNOLOGIES LIMITED ('COMPANY' OR 'ISSUER') IN THE RATIO OF [●] RIGHTS SHARES FOR EVERY [●] EQUITY SHARES HELD BY SUCH ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE, [●] ('ISSUE'). THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED '**TERMS OF THE ISSUE**' BEGINNING ON PAGE 130 OF THIS DRAFT LETTER OF OFFER.

*Assuming full subscription.

PAYMENT METHOD OF THE ISSUE

The entire amount of the Issue Price of ₹[●] per Rights Equity Share shall be payable at the time of Application.

WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company, nor our Directors are or have been categorized as wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

GENERAL RISK

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Right Shares have not been recommended or approved by Securities and Exchange Board of India ('SEBI') nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer '**Risk Factors**' beginning on Page 23 of this Draft Letter of Offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer 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 Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through this draft letter of offer to be listed on the Platform of BSE Limited ("BSE"). Our Company has received the approval letter dated [●] from BSE for using its name in the offer document for listing of our shares on the Platform of BSE. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange will be BSE.

REGISTRAR TO THE ISSUE

Purva Sharegistry (India) Private Limited
Registrar to the Rights Issue
Address : 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,
Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai – 400011, Maharashtra
Contact Details: +91 22 3522 0056 / 4961 4132;
E-mail ID/ Investor grievance e-mail: newissue@purvashare.com
Website: www.purvashare.com
Contact Person: Deepali Dhuri, Compliance Officer
SEBI Registration Number: INR000001112;
Validity: Permanent

ISSUE PROGRAMME

ISSUE OPENING DATE	LAST DATE FOR MARKET RENUNCIATION*	ISSUE CLOSING DATE**
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*Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

**This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

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TABLE OF CONTENTS

TITLE	PAGE NO.
SECTION I – GENERAL	4
Definitions And Abbreviations	4
Notice To Investors	15
Presentation Of Financial And Other Information	17
Forward Looking Statements	19
Summary Of Draft Letter of Offer	20
SECTION II – RISK FACTORS	23
SECTION III – INTRODUCTION	33
The Issue	33
General Information	34
Capital Structure	39
Objects Of the Issue	42
Statement Of Special Tax Benefits	49
SECTION IV – ABOUT OUR COMPANY	54
Industry Overview	54
Business Overview	62
Our Management	68
SECTION V – FINANCIAL INFORMATION	73
Financial Statements	74
Accounting Ratios	106
Management's Discussion and Analysis of Financial Condition and Results of Operations	108
SECTION VI – LEGAL AND OTHER INFORMATION	114
Key Industry Regulations and Policies	114
Outstanding Litigation and Defaults, And Material Developments	121
Government And Other Statutory Approvals	123
Other Regulatory and Statutory Disclosures	124
SECTION VII – ISSUE RELATED INFORMATION	130
Terms Of the Issue	130
Restrictions On Foreign Ownership of Indian Securities	157
SECTION VIII – OTHER INFORMATION	158
Material Contracts and Documents For Inspection	158
Declarations	159

DEFINITIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

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

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the/our Company’, ‘we’, ‘our’, ‘us’ or similar terms are To Sylph Technologies Limited as the context requires, and references to ‘you’ are to the Eligible Shareholders and/ or prospective Investors in this Issue.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘**Industry Overview**’, ‘**Statement of Tax Benefits**’, ‘**Financial Information**’, ‘**Outstanding Litigations, Defaults, and Material Developments**’ and ‘**Terms of the Issue**’ on page 54, 49, 73, 121 and 130 respectively, shall have the meaning given to such terms in such sections.

CONVENTIONAL/ GENERAL TERMS

Term	Description
Sylph Technologies Limited/ the Company/ our Company	Sylph Technologies Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time
We/ us/ our	Unless the context otherwise indicates or implies, refers to Sylph Technologies Limited
ASBA	Application Supported by Blocked Amount;
AOA/ Articles of Association	The Articles of Association of Sylph Technologies Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013;
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Years ending March 31, 2024;
Auditors/ Statutory Auditors/ Peer Review Auditor	The current statutory auditors of our Company M/S Milind C Shah., Chartered Accountants;
Board of Directors/ Board	Board of Directors of our Company;
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Ms. Ms.Neelima Mahanot;
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Sachin Singh
Depositories Act	The Depositories Act, 1996 and amendments thereto;
DP/ Depository Participant	Depository Participant as defined under the Depositories Act;
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Sylph Technologies Limited as on the Record

Term	Description
	Date;
Equity Shares	Equity shares of the Company having face value of ₹1.00 (Rupee One only);
Independent Director	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 section titled ' Our Management ' beginning on page 68 of this Draft Letter of Offer;
ISIN	International Securities Identification Number being IN760F01021;
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled ' Our Management ' beginning on page 68 of this Draft Letter of Offer;
MOA/ Memorandum of Association	The Memorandum of Association of Sylph Technologies Limited, as amended from time to time;
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company's Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI (LODR) Regulations and Section 178 of the Companies Act, 2013;
Promoters	NA
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with the BSE Limited under the SEBI (LODR) Regulations;
Registered Office	201 E Johari Palace 51 M G Road Indore Tukoganj Indore MP 452001 IN
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI (LODR) Regulations Section 178 of the Companies Act, 2013;
Stock Exchange/ Designated Stock Exchange	BSE Limited(BSE)
Unaudited Limited Review Financial Statements	The unaudited financial statements of our Company for the quarter ending June 30,2024, prepared in accordance with Indian Accounting Standards.

ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act;
Additional Right Shares	The Right Shares applied or allotted under this Issue in addition to the Rights Entitlement;
Allot/Allotment/Allotted	Unless the context requires, the allotment of Right Shares pursuant to this Issue;
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and Application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40 (3) of the Companies Act;

Term	Description
Allotment Advice	Note, advice, or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Right Shares pursuant to this Issue;
Allotment Date	Date on which the Allotment is made pursuant to this Issue;
Allottees	Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment;
Applicant(s)/ Investor(s)	Eligible Shareholder(s) and/or Renounee(s) who make an application for the Right Shares pursuant to this Issue in terms of the Letter of Offer, including an ASBA Investor;
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Equity Shares at the Issue Price;
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application using the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable at the time of Application ₹[●] (Rupees [●] Only) in respect of the Right Shares applied for in this Issue at the Issue Price;
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renounees) shall make an application for an Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being [●];
Bankers to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company and the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from Investors making an application through the ASBA facility, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;

Term	Description
Basis of Allotment	The basis on which the Right Shares will be Allotted to successful Applicants in the Issue, and which is described in the section titled ' <i>Terms of the Issue</i> ' beginning on page 130 of this Draft Letter of Offer;
Common Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue
Consolidated certificate	The certificate that would be issued for Rights Shares Allotted to each folio in case of Eligible Shareholders who hold Equity Shares in physical form
Controlling Branches /Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes ;
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/husband, investor status, occupation and bank account details, where applicable;
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Draft Letter of Offer/ DLoF	This draft letter of offer dated December 05,2024, filed with BSE Limited (BSE), in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval;
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e. [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application through the ASBA facility;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●];
Issue/ Rights Issue	Rights Issue of up to [●] Equity Shares of our Company for cash at a price of ₹[●] (Rupees [●] Only) per Right Shares aggregating upto ₹49,00,00,000 (Rupees Forty Nine Crore only) on a rights basis to the Eligible Shareholders of our Company in the ratio of [●] ([●]) Right Shares for every [●] ([●]) Equity Shares held by the Eligible Shareholders of our Company on the Record Date i.e. [●]; On Application, Investors will have to pay entire amount of ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price;
Issue Closing Date	[●]
Issue Material	Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter or any offering materials, corrigendum, or advertisements in

Term	Description
	connection with this Issue
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their Applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Size	Amount aggregating up to ₹49,00,00,000 (Rupees Fourty Nine Crore only)
Letter of Offer/ LoF	The final letter of offer to be filed with the BSE Limited(BSE) after incorporating the observations received from the BSE Limited on the Draft Letter of Offer;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 42 of this Draft Letter of Offer;
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renouncees;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
Offer Document	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigendum thereto;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●];
Payment Schedule	Payment schedule under which [●]% ([●] percent) of the Issue Price is payable on Application, i.e, ₹[●] (Rupees [●] Only) per Right Shares.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Right Shares, being [●];

Term	Description
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar to the Issue	Purva Sharegistry (India) Pvt. Ltd
Registrar Agreement	Agreement dated [●] entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue, including in relation to the ASBA facility;
Renounees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounee on or prior to the Issue Closing Date i.e. [●];
Rights Entitlement (s)/ RES	The number of Right Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being [●] Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder; The Rights Entitlements with a separate ISIN '[●]' will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Shareholders. The Rights Entitlements are also accessible through the ASBA and the link for the same will be available on the website of our Company;
Right Shares	Equity Shares of our Company to be Allotted pursuant to this Issue
Self-Certified Syndicate Banks/SCSB(s)	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time;
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter or Fraudulent	A Company or person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the

Term	Description
Borrower	RBI, including any Company whose director is categorized as such, as defined under Regulation 2 (1) (III) of the SEBI (ICDR) Regulations;
Working Day(s)	In terms of Regulation 2(1) (mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Indore are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Indore are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Right Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI;

Technical and Industry Related Terms of Systems and Application Software

Term	Description
ADM	Application Development Management
Android	Mobile operating system
API	Application programming interface
AI	Artificial Intelligence
AWS	Amazon Web Services
BI	Business intelligence
BPA	Business Process Automation
BPM	Business Process management
BPO	Business Process Outsourcing
BSNL	Bharat Sanchar Nigam Limited
B2B	Business to Business
B2C	Business to Customers
CBT	Computer Based Tools
C-DAC	Centre for Development of Advanced Computing
CMMI	Capability Maturity Model Integration
CPI	Consumer Price Index
DA	Data Analytics
DoS	Department of Space
ER&D	Engineering and R&D
EMDE	Emerging market and developing economies
ESC	Electronics & Computer Software Export Promotion Council
EV	Electric Vehicle
GBP	British Poun
ICRA	Investment Information and Credit Rating Agency of India Limited
ICT	Information & Communication Technologies
IEC	International Electrotechnical Commission
IoT	Internet Of Things
IOS	iPhone OS or iPhone Operating System
ISO	International Organization for Standardization
ISVs	Independent Software Vendors
IT	Information Technology
ITES	Information Technology Enabled Services

LED	Light Emitting Diode
NaBFID	National Bank for Financing Infrastructure and Development
Nasscom	National Association of Software and Service Companies
Niti	National Institute for Transforming India
NREDCAP	New & Renewable Energy Development Corporation of Andhra Pradesh Limited
OPD	Outsourced Product Development
OPM	Operating Profit Margin
PE-VC	Private Equity and Venture Capital
PrLI	Production Linked Incentive
QA	Quality Assurance
R&D	Research & Development
SAARC	South Asian Association for Regional Cooperation
SEZ	Special Economic Zone
STC	Strategic Technology Consulting
STPI	Software Technology Parks of India
T&M	Time & Material
US	United States
USP	Unique Selling Proposition
9MFY	Nine Month Financial Year
Acre	Equals 43560 Sq. Ft. or 100 Cents
BP	Building Permit
CAGR	Compounded Annual Growth Rate
CC	Commencement Certificate
GFC	Global financial Crises
IOA	Intimation of Approval
E-Waste	Electronic Waste
EPR	Extended Producer Responsibility
WEEE	Waste Electrical and Electronic Equipment
RoHS	Restriction of Hazardous Substances
R2	Responsible Recycling (Certification)
MRF	Material Recovery Facility

ABBREVIATIONS

Term	Description
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAF	Common Application Form
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number

Term	Description
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
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
CSR	Corporate Social Responsibility
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996, including subsequent amendments thereto
DIN	Director Identification Number
DP	Depository Participant
DP-ID	Depository Participant's Identification
DR	Depository Receipts
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortization expense, as presented in the statement of profit and loss
EGM	Extraordinary General Meeting
EEA	European Economic Area
EPC Services	Engineering, Procurement, and Construction services
EPS	Earning per Equity Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors
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 under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FY/ Financial Year	Period of 12 months ended March 31 of that particular year, unless otherwise stated
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GDR	Global Depository Receipt

Term	Description
GNPA	Gross Net Performing Assets
GoI / Government	The Government of Indi
GST	Goods and Services Tax
HUF	Hindu Undivided Family
Ind AS	Indian Accounting Standards
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles In India
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
INR / ₹ / Rs./ Indian Rupees	Indian Rupee, the official currency of the Republic of India
IST	Indian Standard Time
IT	Information Technology
MCA	The Ministry of Corporate Affairs, Government of India
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
NCT	National Capital Territory, Delhi
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer.
BSE	Bombay Stock Exchange of India
Net Worth	The aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account, and debit or credit balance of the profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NR/ Non- Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI
NRE	Account Non-resident external account
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
BSE	Bombay Stock Exchange of India Limited
OCB	Overseas Corporate Body
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax

Term	Description
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
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 Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
SEBI Rights Issue Circulars / SEBI Right Issue Circulars / SEBI Rights Issue Circular	SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and SEBI circular, bearing reference no. SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
Securities Act	United States Securities Act of 1933, as amended
STT	Securities transaction tax
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Letter of Offer / Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges, subject to the applicable law.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("United States"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities

in the United States. Accordingly, this Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement.

Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Letter of Offer are to the Republic of India and the “Government” or “GoI” or the “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the “US” or “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

FINANCIAL DATA

Unless stated or the context requires otherwise, our financial data included in this Letter of Offer is derived from the Audited Financial Statements of our Company as of and for the financial year ended March 31, 2024

We have prepared our Audited Financial Statements of our Company as of and for the financial year ended March 31, 2024 in accordance with Indian Accounting Standard (Ind AS), Companies Act, and other applicable statutory and / or regulatory requirements. Our Company publishes its financial statements in Indian Rupees.

For details of the Audited Financial Statements for the financial year ended March 31, please refer to the section titled “*Financial Statements*” beginning on page 74 of this Draft Letter of Offer.

Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to ‘Rupees’, ‘Rs.’, ‘₹’, ‘Indian Rupees’ and ‘INR’ are to Rupees, the official currency of the Republic of India.

All references to ‘U.S. \$’, ‘U.S. Dollar’, ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

Please Note:

One lakh is equal to 100 thousand;
One crore is equal to 10 million/100 lakhs;
One million is equal to 1,000,000/10 lakhs;
One billion is equal to 1,000 million/100 crores;

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout this Letter of Offer has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Letter of Offer is reliable, it has not been independently verified.

The industry data used in this Letter of Offer has not been independently verified by our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

The extent to which market and industry data used in this Letter of Offer is meaningful depends on the reader's familiarity with and understanding of methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which our business is conducted, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 23 of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

FORWARD LOOKING STATEMENTS

We have included statements in this Draft Letter of Offer which contain words or phrases such as ‘will’, ‘may’, ‘aim’, ‘is likely to result’, ‘believe’, ‘expect’, ‘continue’, ‘anticipate’, ‘estimate’, ‘intend’, ‘plan’, ‘contemplate’, ‘seek to’, ‘future’, ‘objective’, ‘goal’, ‘project’, ‘should’, ‘pursue’ and similar expressions or variations of such expressions, that are ‘forward looking statements’.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry 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 which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. Uncertainty of the continuing impact of the pandemic on our business and operations;
2. General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
3. Changes in laws and regulations relating to the sectors and industry in which we operate;
4. Realization of Contingent Liabilities;
5. Occurrence of uninsured losses;
6. Factors affecting the industry in which we operate;
7. Our ability to meet our capital expenditure requirements;
8. Our ability to successfully implement our growth strategy and expansion plans and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
9. Fluctuations in operating costs;
10. Our ability to attract and retain qualified personnel;
11. Our failure to keep pace with rapid changes in technology;
12. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
13. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
14. Any adverse outcome in the legal proceedings in which we/our group companies are involved;
15. Other factors beyond our control;
16. Our ability to manage risks that arise from these factors;
17. Changes in Government policies and Regulatory actions that apply to or affect our business;
18. Conflicts of interest with affiliated companies and other related parties;
19. The performance of the financial markets in India and globally.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled ‘*Risk Factors*’ beginning on page 23 of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could materially differ from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not 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 and BSE’s requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the BSE.

SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled '**Risk Factors**', '**Objects of the Issue**', '**Business Overview**' and '**Outstanding Litigations, Defaults and Material Developments**' beginning on pages 23,42,62 and 121 of this Draft Letter of Offer, respectively.

SUMMARY OF OUR BUSINESS

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Gwalior, dated May 14, 1992 with the name Majjarrsha Housing Finance Limited. Then the name of the company has changed from Majjarrsha Housing Finance Limited to MHFL Technologies Limited on 25th July, 2002. Then The Company on 05th May, 2005 changed its Name from 'MHFL TECHNOLOGIES LIMITED' to 'SYLPH TECHNOLOGIES LTD" and Fresh certificate of incorporation was issued by Registrar of Companies, Gwalior on 5th May, 2005. The Corporate Identification Number of Our Company is L36100MP1992PLC007101.

Our Company is listed on the BSE Limited (BSE) effective from May 03, 1994 bearing Symbol 'SYLPH'. The ISIN of our company is INE706F01021. And the Scrip code is 511447.

Our Company is a software technology company in India, providing software development services & solutions with services such as outsourcing software development, web development, product development, strategy consulting, offshore software development, e-commerce for web and mobile enablement.

The company has also engaged in providing BPO Service & KPO Service. KPO providing services in the field of Accounting, Income tax, Service Tax, VAT, CST, GST, Custom Duty and other duties and taxes, Auditing, Corporate Services, Company law matters, Financial & Legal Consultancy and Tax Management. For the purpose of enhancement, diversification and availing future opportunities during the year company has started trading of Solar Power Product. Further, the company is engaged in constructing, operating, maintaining, managing, controlling and administering, Earth Works, farmhouses, Parks, Gardens, Row houses, Duplex Apartments, Commercial, Residential or Industrial building Complexes, Retail Stores, Shopping Centers, Market Yards etc.

Furthermore, the company carry on the business of collection, segregation, transportation, trading, processing, composting, recycling, treatment and disposal of all types of waste (whether solid, liquid or gaseous substances) and including municipal solid waste, electronic waste (e waste), construction and demolition debris, bio-medical waste, hazardous waste, sewage, waste water etc.

OBJECTS OF THE ISSUE

The details of Issue Proceeds are set forth in the following table:

Particulars	Amount(In lakhs)
Gross Proceeds from the Issue#*	4900.00
Gross: Estimated Issue related Expenses	75.00
Net Proceeds from the Issue	4825.00

assuming full subscription and allotment

*The Issue size will Not Exceed ₹49,00,00,000 (Rupees Fourty NineCrore Only) If There Is Any Reduction In The Amount On Account Of Or At The Time Of Finalization Of Issue Price and Rights Entitlements Ratio, the same will be adjusted against [●]

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Sr. No.	Particulars	Amount (In lakhs)
1.	Working Capital requirements	4000.00
2.	General Corporate purposes#	825.00

Sr. No.	Particulars	Amount (In lakhs)
	Total Net Proceeds	4825.00

#To be finalized on determination of the Issue Price and updated in the Letter of Offer prior to filing with the Stock Exchanges. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please refer to the chapter titled '*Objects of the Issue*' beginning on page 42 of this Draft Letter of Offer.

FINANCIAL INFORMATION

The following table sets forth the summary financial information derived from the Audited Financial Statements, for Financial Years and quarter ended March 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Ind (AS) and the Companies Act, 2013.

(In ₹)

Particulars	Financial Statements for the Financial Year ending			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	81,31,99,000	14,90,00,000	14,90,00,000	14,90,00,000
Net Worth	77,94,79,000	14,04,30,000	13,40,63,000	12,84,34,000
Total Income	16,16,00,000	54,56,5000	11,37,6000	30,75,000
Profit / (loss) after tax	(2,51,50,000)	7,639000	3,33,4000	1,96,000
Basic and diluted EPS	(0.031)	0.043	0.224	0.013
Total borrowings	2,52,80,000	73,41,000	1,57,66,000	-

Qualifications of the Auditors

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their report which requires any adjustment to audited financial statements of the Company for the last 2 financial years, i.e. FY 2023-24 and FY 2022-23

Summary of Contingent Liabilities

For details regarding our contingent liabilities for FY 2024 and FY 2023.

OUTSTANDING LITIGATIONS

Nature of cases	Number of cases	Amount involved (₹)
Litigations involving our Company	i.	ii.
Litigation Involving Actions by Statutory/Regulatory Authorities	One	5,00,000
Litigation involving Tax Liabilities	NIL	NIL
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	NIL	NIL
Proceedings involving Material Violations of Statutory Regulations by our Company	NIL	NIL
Matters involving economic offences where proceedings have been initiated against our Company	NIL	NIL

Nature of cases	Number of cases	Amount involved (₹)
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	NIL	NIL
Litigation involving our Directors	NIL	NIL
Litigation involving our Group Companies	NIL	NIL

For further details, please refer to section titled '*Outstanding Litigations, Defaults and Material Developments*' beginning on page 121 of this Draft Letter of Offer.

RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '*Risk Factors*' beginning on page 23 of this Draft Letter of Offer.

CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page 74 of this Draft Letter of Offer.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page 74 of this Draft Letter of Offer.

FINANCING ARRANGEMENTS

There are no financing arrangements wherein the the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Letter of Offer

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective Investors should carefully consider all the information disclosed in this Letter of Offer, including the risks and uncertainties described below and the **“Financial Statements”** on page 79 before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with **“Our Business”**, **“Industry Overview”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** on pages 62, 54 and 108, respectively, as well as the other financial information included in this Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, see **“Forward Looking Statements”** on page 19.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements included in this Letter of Offer. For further information, see **“Financial Statements”** on page 74. In this section, unless the context otherwise requires, a reference to **“our Company”** on a standalone basis.

INTERNAL RISK FACTORS

1. ***We have not entered into any long-term contracts with any of our clients.***

We do not have any long-term contracts with our clients and any change in the business pattern of our existing clients could adversely affect the business of our Company. As a result, our customers can terminate their relationships with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce, or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, fluctuation in demand for our Company's products, customer's inventory management, amongst others. Although we have satisfactory business relations with our clients and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.

2. ***We have referred to the data derived from internal Company reports and industry and government publications, publicly available information, and sources.***

Unless stated otherwise, industry and market data used throughout this Draft letter of offer has been obtained or derived from internal Company reports and industry and government publications, publicly available information, and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Draft letter of offer is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering

methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

3. ***Our Company requires entering into Development Agreement for land developments rights with the owners of the land, which entails certain risks like specific performance of the terms of the agreement, litigations etc. Further, any disruption in the execution of the said agreements due to any reason whatsoever may have adverse effects on our commercial operations and profitability.***

Our Company requires to entering into development agreements for land developments rights with the owners of the land. Such agreements carry risks like specific performance of the terms and covenants of such agreement, project schedules and timelines to be met with, maintaining cordial relationship with the land owners, litigations/disputes etc.

4. **Some or all of our Ongoing Projects may be delayed or may not be completed by their expected completion dates or at all. Such delays may adversely affect our reputation, business, results of operations and financial condition.**

Our Ongoing Projects may be subject to significant changes and modifications from our currently estimated management plans and timelines as a result of factors outside our control, including, among others:

- defects or challenges to land titles;
- failure or delay in securing necessary statutory or regulatory approvals and permits for us to develop our projects;
- inability to complete our projects in agreed time;
- availability of financing;
- occurrence of force majeure events including natural disasters and weather conditions;
- legal proceedings initiated against us, landowners or development partners by individuals or regulatory authorities seeking to restrain development of our projects;
- reliance on third-party contractors and the ability of third parties to complete their services on schedule and in budget; and
- regulatory changes such as changes in development regulations and challenges in interpreting and complying with them.

Such changes and modifications to our timelines may have a significant impact on our Ongoing Projects, and consequently, we may not develop these projects as contemplated, or at all, which may have an adverse effect on our reputation, business, results of operations and financial condition.

5. ***The dismantling and recycling of e-waste expose workers to various hazardous materials and unsafe working conditions.***

Common risks include exposure to toxic substances like lead, mercury, arsenic, and cadmium, which are prevalent in many electronic devices. Inadequate safety measures—such as improper handling of hazardous materials or lack of personal protective equipment (PPE)—can result in severe health problems for workers, including respiratory issues, neurological damage, and even cancer. In addition to health concerns, workplace accidents such as fires, explosions, or equipment malfunctions are common in e-waste processing plants. These risks necessitate strict adherence to safety standards, regular worker training, and the implementation of safety protocols to ensure a safe working environment.

6. ***E-waste management relies heavily on the availability of a consistent supply of electronic waste.***

Fluctuations in e-waste volumes due to economic conditions, consumer behavior, or changes in electronic product lifecycles can disrupt the supply chain. For example, if fewer consumers are upgrading their electronic devices, the volume of waste generated may decrease, resulting in a shortage of materials for recycling. Additionally, external factors such as trade restrictions, transportation delays, or natural disasters can hinder the flow of e-waste. These disruptions can cause operational inefficiencies, affect profitability, and lead to inventory shortages of essential raw materials like metals and rare earth elements.

7. ***Our business is geographically located in one area, Indore. Any loss or shutdown of operations at any of our facilities in Indore may have an adverse effect on our business and results of operations***

Majority of our business is based Indore, as a result, if there is any localized social unrest, natural disaster or breakdown of services and utilities in this area, it may affect our business adversely. Further our manufacturing activities are subject to operating risks, such as breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, continued availability of services of our external contractors, earthquakes and other natural disasters, industrial accidents etc. We have not experienced any of these operating risks in the past. We cannot assure we will be adequately able to mitigate all of our operating risks.

8. *Our success depends largely upon the services of our Managing Directors and other key managerial personnel and our ability to attract and retain them.*

We are dependent on our Managing Director and Key Managerial Personnel for setting our strategic direction and managing our businesses. Our Company has over past years built relations with suppliers, customers and other persons who are connected with us. Accordingly, our Company's performance is dependent upon the services of our Managing Director, and other key managerial personnel. Our future performance will depend upon the continued services of these persons. Demand for key managerial personnel in the industry is intense and our inability to attract and retain key managerial personnel may affect the operations of our Company.

9. *Our inability to manage growth could disrupt our business and reduce our profitability.*

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses, as well as the development of our new products portfolio. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial, and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values, and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition, and adversely affect our results of operations.

10. *We have high working capital requirements. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, cash flows and financial condition.*

Our business requires a high amount of working capital. For further details of our working capital borrowings, please see the section entitled "Financial Information" on page 74. To finance such capital requirements, we have availed certain loan facilities including overdraft facilities. We cannot assure you that we will be able to raise debt to meet our working capital requirements on commercially acceptable terms in a timely manner or at all. If we have to fund our working capital requirements from infusion of equity, it may result in dilution of shareholding of our existing Shareholders. Further, our Company proposes to utilize the Net Proceeds for its working capital requirements.

11. *The business orders which we undertake may be delayed, modified, cancelled, or not fully paid for by our clients and therefore, could materially affect our business, results of operations and financial condition.*

The business orders which we undertake may be cancelled or may be subject to changes in scope or schedule. We may also encounter problems executing the orders or executing them on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone an order or cause its cancellation. Such factors could include delays or failures to obtain necessary permits, right-of-way, or receive performance bonds and other types of difficulties or obstructions. Any delay, failure, or execution difficulty with respect to orders in our Order Book could materially affect our business, results of operations and financial condition.

12. *We face intense competition in our businesses, which may limit our growth and prospects.*

Our Company faces significant competition from other manufacturers and traders. In particular, we compete with other traders operating in the markets in which we are present. Our competitors may have advantages over us, including, but not limited to: • Substantially greater financial resources; • Longer operating history than in certain of our businesses; • Greater brand recognition among consumers; • Larger customer bases in and outside India; or • More diversified operations which allow profits from certain operations to support others with lower profitability. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

13. *Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to be volatile.*

Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- our ability to acquire and retain clients for our products & services;
- maintaining high levels of customer satisfaction;
- costs relating to our operations;
- adhering to our high quality and process execution standards;
- pricing policies introduced by our competitors;
- the timing and nature of, and expenses incurred in, our marketing efforts;
- recruiting, training, and retaining sufficient skilled technical and management personnel;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems;

All of these factors, in combination or alone could negatively impact our revenues and may cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

14. *As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations.*

Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties. The Equity Shares of our Company are listed on BSE Limited, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations.

Our Company endeavors to comply with all such obligations/reporting requirements, there may be nondisclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

15. *Our Company has not taken insurance cover hence we may not be able to protect ourselves from all losses and may in turn adversely affect our financial condition.*

Our Company has not taken any insurance cover at present. Hence, we may not be able to protect ourselves from any damage or loss suffered by us. To the extent that we suffer loss or damage, our results of operations or cash flow may be affected.

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

The following table sets forth our cash flow for the periods indicated:

Particulars	For the Financial year ended March 31,2024	For the Financial year ended March 31,2023	For the Financial year ended March 31,2022	For the Financial year ended March 31,2021
Net Cash from Operating Activities	(6,300.59)	(452.56)	(220.35)	369.02
Net cash from Financing Activities	6,641.99	-	-	-

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares.

17. *We do not own our Registered Office from which we operate.*

We do not own the premises on which our Registered Office is situated. Our Company has taken the registered office on lease & license basis. If the owner of the premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

18. *Our Company's management will have flexibility in utilizing the Net Proceeds. There is no monitoring agency appointed by our Company and the deployment of funds is at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.*

As the Issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI (ICDR) Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue.

However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue.

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

Our Company is mainly engaged in business of real estate and trading which attracts tax liability such as Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raised by concerned authority in future for any previous year and current year will affect the financial position of the Company.

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

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to use systems/equipment capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will use such systems/equipment effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analysis of market and other data or the strategies we use or plan in future to use will be successful under various market conditions.

21. *Cyber-attacks or any failure, inadequacy and security breach in our information technology systems may adversely affect our business.*

Our business is particularly susceptible to such disruptions because of our reliance on technology platforms and tools and the higher cost of installation and implementation of technology. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products.

Our operations also rely on the secure processing, storage transmission of confidential and other information in our computer systems and networks. Our computer systems, servers, software, including software licensed from vendors and networks maybe vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft including customer data, employee data and propriety business data, for which we could potentially be liable. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our business.

22. *If we fail to innovate in response to changing customer needs and adopt and develop new technologies, or adapt to evolving industry standards, our business, financial condition, and results of operations could be adversely affected.*

We are engaged in an industry characterized by rapid technological innovation, evolving industry standards, frequent new service introductions, shifting distribution channels and changing customer demands. We believe that the pace of innovation will continue to accelerate as customers increasingly base their business on cloud platforms. Our future success depends on our ability to continue to innovate and increase customer adoption of our platform in other areas. We need to continue to investing technologies, services, and partnerships that increase the types of data processed on our platform and the ease with which customers can ingest data into our platform.

Further, our software solution infrastructure may become obsolete due to the development of new systems to deliver power to or eliminate heat from the servers or as a result of the development of new server technology. If we are unable to enhance our platform to keep pace with these rapidly evolving customer requirements, or if new technologies emerge that are able to deliver competitive products at lower prices, more efficiently, more conveniently, or more securely than our platform, our business, financial condition, and results of operations could be adversely affected.

23. *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.

24. *We may become liable to our customers and lose customers if we have defects or disruptions in our service or if we provide poor service. We may also be liable in the event of misuse of our services or platforms.*

We deliver technology as a service, and errors or defects in the software applications underlying our services, or a failure of our hosting infrastructure, may make our services unavailable to our customers. Majority of our contracts or service agreements involve projects that are critical to the operations of our clients' businesses. Any direct damages, expenses, costs, obligations could result in a claim for substantial damages against us, regardless of our responsibility for such failure. Any errors, defects, disruptions in service or other performance problems with our services, whether in connection with the day-to-day operation of our services, upgrades or otherwise, could damage our customers' businesses.

If we have any errors, defects, disruptions in service or other performance problems with our services, our customers could elect not to renew our contract, or delay or withhold payments to us and we could lose future sales. Further, our customers may make claims against us, which could result in an increase in our provision for doubtful accounts, an increase in collection cycles for accounts receivable or litigation costs. We may in the future, experience, misuse of our services or platforms. The occurrence of any such events in the future could lead to user dissatisfaction and discourage the use of our products and services. Such events may also give rise to complaints and actions against us. All these factors could adversely affect our business and results of operation.

25. *Significant challenges or delays in our Company's innovation and development of new products, technologies and indications could have an adverse impact on the Company's long-term success.*

Our Company's continued growth and success depends on its ability to innovate and develop new and differentiated products and services that address the evolving technology needs of companies, providers and consumers. Development of successful products and technologies is also necessary to offset revenue losses when the Company's existing products lose market share due to various factors such as competition and loss of intellectual property rights. Our Company cannot be certain when or whether it will be able to develop, license or otherwise acquire companies, products and technologies, whether particular product candidates will be granted regulatory approval, and, if approved, whether the products will be commercially successful. In all of these contexts, developing new products and health care devices, requires significant investment of resources over many years. The process depends on many factors including the ability to discern patients' and health care providers' future needs; develop promising new compounds, strategies and technologies; achieve successful clinical trial results; secure effective intellectual property protection; obtain regulatory approvals on a timely basis; and, if and when they reach the market, successfully differentiate the Company's products from competing products and to treatment. New products or enhancements to existing products may not be accepted quickly or significantly in the marketplace due to product and price competition, changes in customer preferences or purchasing patterns, resistance by healthcare providers or uncertainty over third-party reimbursement. Even following initial regulatory approval, the success of a product can be adversely impacted by safety and efficacy findings in larger real world patient populations, as well as market entry of competitive products.

ISSUE SPECIFIC FACTORS

1. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.*

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements.

2. *The Rights Entitlement of Physical Shareholders may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with the SEBI Circular bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13' dated January 22, 2020, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least 1 (One) day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018 issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

3. ***SEBI has recently, by way of Rights Issue Circulars streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue Circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see '***Terms of the Issue***' on page 130 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely being [●]) opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:

- (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
- (b) Equity Shares held in the account of IEPF authority; or
- (c) The demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or
- (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in the physical form on the Record Date the details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
- (e) Credit of the Rights Entitlements returned/reversed/failed; or
- (f) The ownership of the Equity Shares currently under dispute, including any court proceedings.

4. ***You may be subject to Indian taxes arising out of capital gains on the sale of the Right Shares and Rights Entitlement.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian Company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also 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, and 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. These amendments have been notified on December 10, 2019 and have come into effect from July 01, 2020.

The Finance Act, 2020 has also 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, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

5. ***Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading our Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for our Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that our Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

6. ***There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by BSE until after those Equity Shares have been issued and allotted. Approval 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 BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

7. ***Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, any Company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

8. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

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

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

that time. Should that occur, the shareholder will suffer an immediate unrealised loss as a result. We may complete the Allotment even if such events may limit the Applicant's ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

10. ***Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the 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.

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a Company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian Company than as shareholder of a corporation in another jurisdiction.

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

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may 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 will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can 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.

Furthermore, prior trading prices may not be indicative of future trading values for the Rights Equity Shares. A stock exchange may halt secondary market trading in our Equity Shares due to market conditions or other reasons. Furthermore, an exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, all of which may have an adverse impact on our Shareholders' ability to sell their Equity Shares or the price at which Shareholders may be able to sell their Equity Shares at any given time.

EXTERNAL RISK FACTORS

1. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition.

India is our key market. For Fiscal 2024, entire of our Company's revenue from operations was from India. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, results of operations, cash flows and financial condition.

2. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.

Our business is subject to various laws and regulations, which are evolving and subject to change. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations, cash flows and financial condition.

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

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

adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

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

Our financial statements for Fiscals 2019, 2018 and 2017 included in this offer documents are prepared and presented in conformity with Indian GAAP and restated in accordance with the requirements the SEBI (ICDR) Regulations and the Guidance Note on "Reports in Company Offer Documents (Revised 2016)" issued by the ICAI. Ind AS differs from Indian GAAP and other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Offer Documents will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on December 05,2024, in pursuance of Section 62 of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by Rights Issue Committee/ Board of Directors formed by the Board of Directors at their meeting held on [•].

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in ‘*Terms of the Issue*’ on page 130 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	35,86,66,000 Equity Shares;
Right Shares offered in the Issue	Up to [•] Right Shares;*
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[•] Equity Shares;
Rights Entitlement	[•] Equity Shares for every [•] Equity Shares held on the Record Date;
Record Date	[•]
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [•] ([•]) Equity Shares or is not in multiples of [•] ([•]), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Face Value per Equity Share	₹1.00/- (Rupee One Only) each;
Issue Price per Equity Share	₹[•]/- (Rupees [•] Only) including a premium of ₹[•]/- (Rupees [•] Only) per Rights Equity Share
Issue Size	Up to ₹49,00,00,000. (Rupees Fourty Nine Only)
Terms of the Issue	Please refer to the section titled ‘ <i>Terms of the Issue</i> ’ beginning on page 130 of this Draft Letter of Offer.
Use of Issue Proceeds	Please refer to the section titled ‘ <i>Objects of the Issue</i> ’ beginning on page 42 of this Draft Letter of Offer.
Security Code/ Scrip Details	ISIN: INE706F01021; BSE Scrip ID: SYLPH and BSE Scrip Code: 511447 ; ISIN for Rights Entitlements: [•]

*For Right Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Shareholders is less than [•] Equity Shares or is not in multiples of [•], the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of 1 (One) additional Rights Equity Share each, if such Eligible Shareholders have applied for additional Right Shares over and above their Rights Entitlements;

TERMS OF PAYMENT

The entire amount of the Issue Price of [•] per Rights Equity Share shall be payable at the time of Application.

ISSUE SCHEDULE

Issue Opening Date	[•]
Last date for On Market Renunciation of Rights	[•]
Issue Closing Date	[•]

GENERAL INFORMATION

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Gwalior , dated May 14, 1992 with the name Majjarrsha Housing Finance Limited .Then the name of the company has changed from Majjarrsha Housing Finance Limited to MHFL Technologies Limited on 25th July, 2002. Then The Company on 05th May, 2005 changed its Name from ‘MHFL TECHNOLOGIES LIMITED’ to ‘SYLPH TECHNOLOGIES LTD” and Fresh certificate of incorporation was issued by Registrar of Companies, Gwalior on 5th May, 2005. The Corporate Identification Number of Our Company is L36100MP1992PLC007101.

Registered Office: 201 E Johari Palace, 51 M G Road, Indore, Tukoganj Indore MP 452001 IN Tel: 9977700223 Website: www.sylphtechnologies.com, E-mail: sylph.t@yahoo.com,

Contact Person: Neelima Mahanot, Company Secretary and Compliance Officer Our Company is listed on the BSE Limited (BSE) effective from May 03, 1994 bearing Symbol ‘SYLPH’. The ISIN of our company is INE706F01021

Our Company is in the business of software development services & solutions.

We are a software technology company in India, providing software development services & solutions with services such as outsourcing software development, web development, product development, strategy consulting, offshore software development, e-commerce for web and mobile enablement.

We are also engaged in the activity in providing BPO Service & KPO Service. KPO providing services in the field of Accounting, Income tax, Service Tax, VAT, CST, GST, Custom Duty and other duties and taxes, Auditing, Corporate Services, Company law matters, Financial & Legal Consultancy and Tax Management. For the purpose of enhancement, diversification and availing future opportunities during the year company has started trading of Solar Power Product. Further, the company is engaged in constructing, operating, maintaining, managing, controlling and administering, Earth Works, farmhouses, Parks, Gardens, Row houses, Duplex Apartments, Commercial, Residential or Industrial building Complexes, Retail Stores, Shopping Centers, Market Yards etc.

Furthermore, the company carry on the business of collection, segregation, transportation, trading, processing, composting, recycling, treatment and disposal of all types of waste (whether solid, liquid or gaseous substances) and including municipal solid waste, electronic waste (e waste), construction and demolition debris, bio-medical waste, hazardous waste, sewage, waste water etc.

REGISTERED OFFICE AND CORPORATE OFFICE OF OUR COMPANY

Company	SYLPH TECHNOLOGIES LIMITED;
Registered Office Address	201 E Johari Palace, 51 M G Road, Indore- 452001.
Contact Details	9977700223
Email-ID	Sylph.t@yahoo.com
Website	www.sylphtechnologies.com
Corporate Identification Number	L36100MP1992PLC007102
Registration Number	007102

ADDRESS OF THE REGISTRAR OF COMPANIES

Registrar of Companies, Madhya Pradesh,
3rd Floor, ‘A’ Block, Sanjay Complex,
Jayendra Ganj, Gwalior-474 009
Madhya Pradesh

BOARD OF DIRECTORS

Name	Designation	DIN	Address
Mr. Pranay Vaid	Executive Director- Managing Director	09816710	47,B nemi nagar jain colony behind jain mandir Indore ,Madhya Pradesh 452009.
Mr. Pankaj Kalra	Non-Executive - Independent Director	09816592	1825, Preet Nagar,Moh,Tihai,Mawana,Mawana Kalan,Meerut,Uttar Pradesh-250401
Ms. Archana Gulia	Non-Executive - Independent Director	09816488	Gehli(137)Teh,narnaul,Mahendragarh,Haryana- 123001
Mrs. Minaxi M Pareek	Non-Executive - Independent Director	09769729	C1,404,aangan residency-1 near gaytri nagar society punagam bhaiya nagar,surat City Surat Gujrat- 3950510
Mr. Shailesh bajibhai patel	Non-Executive - Independent Director	02456670	6, Tulsi Nagar, Mahila College Road, Unjha, Unjha Mahesana, Unjha Gujarat India 384170

For further details of our Board of Directors, please refer to the section titled '**Our Management**' beginning on page 68 of this Draft Letter of Offer.

Company Secretary	Chief Financial Officer
<p>Ms. Nileema Mahanoti</p> <p>Address: C/o Hanuman mal Mahanot, Near Terapanth Bhawan Post-Udasar, Dist- Bikaner, (RAJ), PIN-334022</p> <p>Contact Details: 8386851743 ;</p> <p>Email-ID: bucha.nilu@gmail.com</p>	<p>Mr. Sachin Singh</p> <p>Address: C-5/137B, Block C5 Block Mandir DDA Flats Keshav Puram North West Delhi -110035</p> <p>Contact Details:9891200226</p> <p>Email-ID: sylph.t@yahoo.com</p>
Registrar to the Issue/ Registrar and Share Transfer Agent	Banker to our Company
<p>PurvaSharegistry (India) Private Limited Registrar to the Rights Issue Address :9, Shiv Shakti Industrial Estate, J. R. BorichaMarg, Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai – 400011, Maharashtra Contact Details: +91 22 3522 0056 / 4961 4132; E-mail ID/ Investor grievance e-mail: newissue@purvashare.com Website: www.purvashare.com Contact Person: DeepaliDhuri, Compliance Officer SEBI Registration Number: INR000001112; Validity: Permanent</p>	<p>Bank : Au Bank Limited Address: Office No 160/1, Bhawar Kuan, AB Road Ahilyapuri Indore - 452001</p>
Bankner to the Issue	
<p>HDFC Bank Limited Address: HDFC Bank House, Senapati Bapat Marg, Lower Parel, MUMBAI, MAHARASHTRA, 400013 Contact Person: Shri Manoj Nadkarni; E-mail ID: paresh.soni@hdfcbank.com; Contact Details: 022-66056588; Fax Number: 022-67132416; Website: www.hdfcbank.com/</p>	

SEBI Registration Number: INBI0000063;
CIN: L65920MH1994PLC080618

STATUTORY & PEER REVIEW AUDITOR

M/S. BMGS & Associates
CHARTERED ACCOUNTANTS
 (From FY 2023-2024)
Address : B-9 Sardar Nagar ,G.T Road Delhi 110009
Contact name: Vaibhav Baja
Membership no. 520512
Firm Regn No. 026886N

M/S. Milind C Shah
CHARTERED ACCOUNTANTS
 (From FY 2024-2025)
Address : 1108, Aaryan Work Space – II Gulbai Tekra, Ahmedabad
Contact name:
Membership no.
Firm Regn No. 132319W

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Sylph Technologies Limited will be responsible for all the responsibilities related to co-ordination and other activities in relation to this Issue. Hence a statement of inter-se allocation of responsibilities is not required.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Shares Allotted.

CONTACT PERSON FOR GRIEVANCES RELATING TO ISSUE RELATED MATTER

Investors may contact the Registrar or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/first holder, folio number or demat account number, number of Rights Shares applied for, amount blocked (in case of ASBA process), ASBA Account number, and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' beginning on page 130 of this Draft Letter of Offer.

EXPERT

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

Our Company has received a written consent from our Statutory Auditors, M/s. Milind C Shah Chartered Accountants, to include their name in this Draft Letter of Offer and as an 'expert', as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated A , included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches

of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlements#	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

Note:

#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date;

*Our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., [●]

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled “Terms of the Issue” beginning on page 130 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar to the Issue after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see “Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders” under the section titled “Terms of the Issue” beginning on page 130 of this Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

CREDIT RATING

As this proposed Issue is of Right Shares, the appointment of a credit rating agency is not required.

DEBENTURE TRUSTEE

As this proposed Issue is of Right Shares, the appointment of debenture trustee is not required.

MONITORING AGENCY

Since the Issue size does not exceed ₹ 100 crore, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulations.

APPRAISING ENTITY

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

UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI (ICDR) Regulations has been increased from ₹10,00,00,000.00/- (Rupees Ten Crores Only) to ₹50,00,00,000.00/- (Rupees Fifty Crores Only). Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the BSE and not with SEBI. However, a copy of the Letter of Offer shall be submitted with SEBI for information and dissemination and will be filed with the BSE.

MINIMUM SUBSCRIPTION

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

1. Objects of the issue being other than capital expenditure

CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Draft Letter of Offer, prior to and after the proposed Issue, is set forth below:

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
Authorized Equity Share capital		
1,00,00,00,000 (Hundred Crores Rs. Only)	₹1,00,00,00,000 /-	-
Issued, subscribed and paid-up Equity Share capital before this Issue		
35,86,66,000 (Thirty Five Crores Eighty Six Lakhs Sixty Six Thousand) Equity Shares.	₹35,86,66,000	-
Present Issue in terms of this Draft Letter of Offer^{(a) (b)}		
[●] ([●]) Issue of Equity Shares, each at a premium of ₹[●]/- (Rupees [●] Only) per Equity Share, at an Issue Price of ₹[●]/- (Rupees [●] Only) per Equity Share	₹[●]/-	Up to ₹49,00,00,000/-
Issued, subscribed and paid-up Equity Share capital after the Issue		
[●] ([●]) Equity Shares	₹[●]/-	
Subscribed and paid-up Equity Share capital		
[●] ([●]) fully paid-up Equity Shares	₹[●]/-	
Securities premium account		
Before the Issue ^(c)		6,11,000
After the Issue ^(d)	₹[●]/-	

Notes:

The Authorised Share Capital of the Company increased from Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 15,00,00,000 (Fifteen Crores) Equity Shares having face value of Re.1/- each to Rs. 100,00,00,000 (Rupees One Hundred Crores Only) divided into Rs. 100,00,00,000 (One Hundred Crores Only) Equity Shares of face value Re. 1/- each. vide Special Resolution dated 15th September, 2023 passed through postal ballot.

Assuming full subscription for allotment of Right Shares;

The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on December 05, 2024.

(a) Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;

NOTES TO THE CAPITAL STRUCTURE

1. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;
2. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
3. As on the date of this Draft Letter of Offer, our Company has not issued any special voting Right Shares and there are no outstanding Equity Shares having special voting rights;
4. The ex-rights price arrived in accordance with the formula prescribed Regulation 10 (4) (b) (ii) of the SEBI (SAST) Regulations, in connection with the Issue is ₹[●] (Rupees [●] Only);
5. **Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**

As on the date of this Draft Letter of Offer, our Company have 4,28,34,000 outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares;

6. **Details of stock option scheme of our Company**

As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme;

7. As on the date of this Draft Letter of Offer, the No Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares.

8. **Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Draft Letter of Offer**

None of the members of the Promoter and Promoter Group of the Company have acquired any Equity Shares in the last one year prior to the filing of this Draft Letter of Offer;

Our Company shall ensure that any transaction in the Equity Shares by our Promoter during the period between the date of filing this Letter of Offer and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transaction.

10. Shareholding Pattern of our company as per the last quarterly filing with the Stock Exchanges in compliance with the SEBI Listing Regulations:

- a. The shareholding pattern of our Company as on September 30, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/sylph-technologies-ltd/sylph/511447/shareholding-pattern/> ;
- b. The statement showing holding of Equity Shares of the person belonging to the category “Promoter and Promoter Group” including details of lock- in, pledge of and encumbrance thereon, as on September 30, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=511447&qtrid=123.00&QtrName=September%202024> ;
- c. The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category “Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=511447&qtrid=123.00&QtrName=September%202024> ;
- d. The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category “Non-Promoter- Non-Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=511447&qtrid=123.00&QtrName=September%202024> .

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from this Issue towards the following objects:

1. To meet incremental working Capital requirements
2. General corporate purposes

The main objects and the objects incidental and ancillary to the main objects of our MOA enable our Company to undertake the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our MOA.

Net Proceeds

The details of the Issue Proceeds are set forth in the table below:(In Lakhs)

Particulars	Amount
Gross Proceeds from the Issue [#]	4900.00
Less :Estimated Issue related Expenses*	75.00
Net Proceeds from the Issue	4825.00

[#]Assuming full subscription in the Issue, subject to the finalization of the Basis of Allotment and receipt of all Call Monies with respect to Rights Issue.

*To be determined at the time of filing the Letter of Offer

Requirement of Funds and utilization of Net Proceeds

The proposed utilization of the Net Proceeds by our Company is set forth in the following table:
(In Lakh)

Particulars	Amount
Augmenting Working Capital Requirements	4000.00
General Corporate Purpose *	825.00
Total Net proceeds	4825.00

[#]The amount is subject to adjustment upon finalization of Issuer elated expenses, however, in no events shall general corporate purposes exceed 25% of the Gross Proceeds..

*Assuming full subscription in this Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio. There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors, Key Managerial Personnel or associate companies (as defined under Companies Act, 2013).

Means of Finance

The funding requirements mentioned above are based on our Company's internal management estimates and 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 these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management, However, any flexibility granted to the board/management to utilize the issue proceeds shall be exercised in full compliance with all applicable laws and regulations. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Proposed schedule of implementation and deployment of Net Proceeds

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

(In Lakh)

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment to Net Proceeds
			FY 2024
1.	To augment the existing and incremental working capital requirement of our company	4000.00	4000.00
2.	General Corporate Purposes [#]	82500	825.00
	Total Net Proceeds*	4825.00	4825.00

[#]The amount to be utilized for General Corporate Purposes will not exceed 25% of the Gross Proceeds.

*Assuming full subscription in the Issue, subject to finalization of the Basis of Allotment, receipt of Call Monies with respect to Rights Issue and to be adjusted per the Rights Entitlement ratio.

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

Details of the Objects

The details of the Objects of the Issue are set out below:

1. To augment the existing and incremental working capital requirement of our company

The details of the Objects of the Issue are set out below:

Funding the working capital requirements of our Company.

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

(Rupee
In Lakhs)

Sr. No.	Particulars	Audited for the Financial Year 2022-23	Audited for the Financial Year 2023-24	Estimated for The Financial Year 2024-25	Estimated for The Financial Year 2025-26	Estimated for The Financial Year 2026-27
I	Current Assets					
	1. Inventories					
	a) Raw Material					
	b) Work-in-Progress					

	c) Finished Goods	0.00	0.02	3472.91	2257.39	1298.00
	d) Other consumables					
	2.Trade Receivables	0.00	379.01	1312.42	2887.33	3176.06
	3.Cash and Cash Equivalents	10.23	130.27	386.45	58.34	1091.03
	4.Other Current Assets	1778.46	7742.48	7774.91	7820.11	7869.84
	Total Current Assets(A)	1788.69	8251.78	12946.69	13023.17	13434.93
II	Current Liabilities					
	1.Trades and Other Payables	0.00	200.48	0.00	0	0
	2.Short Term Provision	0.57	4.17	65.61	103.81	122.91
	3. Internal Accruals Short Term Borrowings	73.41	252.80			
	4.Other Current Liabilities	310.42				
	Total Current Liabilities(B)	384.40	457.46	65.61	103.81	122.91
III	Working Capital Gap(A-B)	1404.29	7794.32	12881.08	12919.36	13312.01
IV	Funding Pattern					
	Internal Accruals Short Term Borrowings	73.41	252.80			
	Proceeds from Working Capital	1330.88	899.53	8881.08	12919.36	13312.01
	Net Proceeds from the proposed Rights Issue		6641.99	4000.00		
	Total	1404.29	7794.32	12881.08	12919.36	13312.01

Sr. No.	Particulars	Basis	Audited for The Financial Year 2023	Audited for The Financial Year 2024	Estimated for The Financial Year 2025	Estimated for The Financial Year 2026	Estimated for The Financial Year 2027
I	Current Assets						
(a)	Trade Receivables	Days	30	30	60	120	120

(b)	Inventories						
	i. Raw Material	Days			0	0	0
	ii. Work-in-Progress	Days			0	0	0
	iii. Finished Goods	Days	0	0	120	120	60
	iv. Other consumables	Days			0	0	0
(c)	Other Current Assets	Days			0	0	0
II	Current Liabilities						
(a)	Trade Payables	Days	15	15	0	0	0
(b)	Other Current Liabilities	Days	15	15	15	15	15
(c)	Short Term Provision	Days					
III	Working Capital Cycle(I-II)	Days	0	0	165	225	165

Justification for Holding Period Level

	Assumptions made and justification
Current Assets	
Trade receivables	Trade receivables are based on the average standard payment terms across our customers. Our general credit terms and type of customers and our assumptions are based on past trends. Trade receivables for Financial Year 2024 were around 30 days. We are expecting to allow a lenient red it period to our customers. In line with increase in sales and based on our long-standing relations with our customers, we have assumed average trade receivables collection period of 60 days in financial year 2025 & 120 days from the financial year 2026 so that to boost the sales and achieve the targets
Inventories	Finished Goods: Finished Goods days are computed based on the historic standalone audited financial statements. The average holding period of finished goods in the Financial Year 2024 is to be 0. Based on the estimated sales, the Company purchases significant quantities from domestic market to meet the expected demand of finished Goods and accordingly has assumed average holding period for finished goods as 120 days. Later on this will be down to 60 days in financial Year 2027
Current Liabilities	
Trade payables	Trade Payable is based on the average standard payment terms of our vendors. Our trade payables primarily comprise of payables towards the purchase of goods. Our operating trade payables for the Financial Year 2024 is to be 15 Days. Our Company has assumed average operating trade payables payment period of 0 days of cost of goods sold for the Financial Year 2025 so that the company will get the additional discounted rates & made the stock available and this will also help us to freeze our buying rates with the vendors.
Other Current Liabilities	Any Tax arise on income will be payable within 15 days after calculation of the figures.

General Corporate Purpose:

The Net Proceeds will first be utilized towards the Objects set out above, as well as meeting the Issue-related expenses. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds of [●] towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time. We confirm that utilization for general corporate purposes will not exceed 25% of the Gross Proceeds of the Issue.

Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, (a) funding growth opportunities, (b) employee expenses, (c) meeting of exigencies which our Company may face in the course of any business, (d) advertising, brand building and other marketing expenses, (e) additional Issue expenses, if any, and any other purpose in the ordinary course of business as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with applicable laws.”

Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals as per applicable laws.”

Our Company will need approximately ₹ 75 lakhs towards Issue related expenses, a break-up of the same is set forth in the table below:

Sr. No.	Particulars	Estimated Amount*(₹sin lakhs)	As a percentage of total estimated Issue expenses*	As a percentage of Gross Issue size*
1	Fees payable to the Registrar to the Issue	6.75	9.00%	0.13%
2	Fees payable to the other professional service providers	8.25	11.00%	0.16%
3	Advertising, marketing, and shareholder outreach expenses	3.75	5.00%	0.07%
4	Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	33.47	44.63%	0.68%
5	<i>Others</i>			
	Other Professional fees			
		11.07	14.76%	0.22%
	Printing and stationery			

	1.50	2.00%	0.03%
Statutory Auditors.			
	3.00	4.00%	0.06%
Bank to the issue.			
	7.21	9.61%	0.14%
Miscellaneous expenses and stamp duty.			
	75.00	100.00%	1.36%
Total estimated issuer-related expenses			

**Assuming full subscription, subject to receipt of Call Monies with respect to Rights Issue, finalization of Basis of Allotment and actual Allotment.*

All Issuer related expenses will be paid out of the Gross Proceeds from the Issue in case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be borne by the Company from internal accruals

SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

As on date, our Company has not deployed any funds towards the Objects of the Issue.

APPRAISAL OF THE OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilised have been appraised by any bank or financial institution.

STRATEGIC AND/OR FINANCIAL PARTNERS

There are no strategic and financial partners to the Objects of the Issue.

BRIDGE FINANCING FACILITIES

As on the date of this Draft Letter of Offer, our Company has not raised or availed of any bridge financing facilities which are subject to being repaid from the Issue Proceeds.

INTERIM USE OF FUNDS

Our Company will have the flexibility to deploy the Net Proceeds in accordance with the policies established by our Board from time to time and in compliance with all the applicable laws. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors or a duly constituted committee thereof. In accordance with the Companies Act, our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Issue, our Company shall not use/deploy the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

MONITORING OF UTILIZATION OF FUNDS

Since the Issue is for an amount less than ₹ 10,000 lakhs, in terms of Regulation 82 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18(3) read with Part C of Schedule II of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses / application of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in this Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Statutory Auditor

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in this Letter of Offer. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

VARIATION IN OBJECTS

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the 'Postal Ballot Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice will simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. For details, see '*Risk Factors - Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholder's approval.*' on page 23.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any acts, regulations, rules, and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

OTHER CONFIRMATIONS

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds without Directors, or Key Managerial Personnel of our Company in the ordinary course of business and no part of the Net Proceeds will be paid as consideration to any of them. Further, except as disclosed, none of our Directors are interested in the Objects of the Issue.

CERTIFICATE ON STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
SYLPH TECHNOLOGIES LIMITED,
201 E Johari Palace, 51 M G Road, Indore
Tukoganj, Madhya pradesh, India, 452001

**Subject: Proposed rights issue of equity shares of face value of ₹1 (Rupee One only) ('Equity Shares')
of Sylph Technologies Limited ('Company' and such offering, the 'Issue')**

1. We, [●], Chartered Accountant, statutory auditors of the Company, have received a request from the Company to verify and certify the possible special tax available to the Company and the shareholders of the Company, in connection with possible special tax benefits under direct and indirect tax laws, including under the Income Tax Act, 1961, as amended, Income Tax Rules, 1962, amendments made by Finance Act, 2023 (hereinafter referred to as 'Income Tax Laws'), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975, as amended, the rules and regulations there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders, in the enclosed statement at the Annexure.
2. Several of these stated tax benefits/consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the stated tax benefits is dependent on fulfilling such conditions.
3. A statement of possible special tax benefits available to the Company and its shareholders is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, and its shareholders the same would include those benefits as enumerated in the Statement. The benefits discussed in the enclosed annexure are not exhaustive. The Annexure is for your information and for inclusion in the Draft letter of offer (the "**Draft Letter of Offer**"), Letter of Offer (the "**Offer Letter**") and any other offering material in connection with Offer ("**Offer Documents**"), as amended or supplemented thereto or any other written material in connection with the proposed Offer and is neither designed nor intended to a substitute for professional tax advice. In view of the individual nature of the tax 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 Offer. Neither are we suggesting nor advising the investor to invest money based on this statement.
4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

5. We also consent to the references to us as “Experts” under Section 26 of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Letter of Offer and Offer Letter of the Company or in any other documents in connection with the Offer.
6. We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("ICAI"), as revised from time to time, to obtain a reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects; the aforesaid Guidance Note requires that we comply with the ethical requirements of the 'Code of Ethics' issued by the ICAI, as revised from time to time. Further, we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements', as revised from time to time. We have also complied with the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time").
7. We confirm that the information herein is true, correct, complete, and accurate, not misleading and does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the Statements made, in the light of the circumstances under which they were made, not misleading.
8. We undertake to inform you promptly, in writing of any changes to the above information until the allotment of Equity shares / Equity Shares commence trading on the relevant stock exchanges where the Equity Shares of the Company are proposed to be listed (the "Stock Exchanges"), pursuant to the Offer. In the absence of any such communication from us, the above information should be considered as updated information until the allotment of Equity shares / Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.
9. This certificate can be relied on by the Company in relation to the Offer.
10. This certificate is issued for the sole purpose of the Offer and relevant extracts can be used in part or full as and where applicable, in connection Draft Letter of Offer, Offer Letter and any other material used in connection with the Offer and consent to the submission of this certificate as may necessary (collectively "Offer Documents"), to the Securities and Exchange Board of India, any regulatory/ statutory authorities , stock exchanges where the Equity Shares are already listed, Registrar Of Companies, Gujarat at Ahmadabad or any other authority as may be required.
11. All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

This certificate may also be relied upon by the Company, their affiliates and the legal counsel in relation to the Issue.

The above certificate shall not be used for any other purpose without our prior consent in writing and 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 certificate is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,

For [●]

M/S. [●]

CHARTERED ACCOUNTANTS

FRN: -[●]

M.No. [●]

UDIN: [●]

Place: [●]

Date: [●]

ANNEXURE I

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SYLPH TECHNOLOGIES LIMITED ('COMPANY') AND ITS SHAREHOLDERS

1. Under the Income Tax Act, 1961 ('Act')

a. Special tax benefits available to the Company under the Act

There are no special tax benefits available to the Company.

b. Special tax benefits available to the shareholders under the Act

There are no special tax benefits available to the shareholders of the Company.

Notes

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares;
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law;
3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25;
4. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company;
5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile;
6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes;

For [●]

M/S. [●]

CHARTERED ACCOUNTANTS

FRN: -[●]

M.No. [●]

UDIN: [●]

Place: [●]

Date: [●]

ANNEXURE II

STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO SYLPH TECHNOLOGIES LIMITED ('COMPANY') AND ITS SHAREHOLDERS

1. Under the The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ('GST Act'), the Customs Act, 1962 ('Customs Act') and the Customs Tariff Act, 1975 ('Tariff Act') (collectively referred to as 'Indirect Tax')

a. Special tax benefits available to the Company under the Indirect Tax

There are no special indirect tax benefits available to the Company.

b. Special tax benefits available to the shareholders under the Indirect Tax

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes

1. The above statement is based upon the provisions of the specified Indirect Tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure;
2. The above statement covers only above-mentioned Indirect Tax laws benefits and does not cover any direct tax law benefits or benefit under any other law;
3. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice;
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes;

For [●]

M/S. [●]

CHARTERED ACCOUNTANTS

FRN: -[●]

M.No. [●]

UDIN: [●]

Place: [●]

Date: [●]

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW OF APPLICATION AND SOFTWARE SYSTEM**INTRODUCTION**

Modern India has had a strong focus on science and technology, realizing that it is a key element for economic growth. India ranks third among the most attractive investment destinations for technology transactions in the world. With more and more multinational companies setting up their R&D centres in India, the sector has seen an uptrend in investment in recent years.

India is among the top countries globally in the field of scientific research, positioned as one of the top five nations in the field of space exploration. The country has regularly undertaken space missions, including missions to the moon and the famed Polar Satellite Launch Vehicle (PSLV). India is likely to take a leading role in launching satellites for the SAARC nations, generating revenue by offering its space facilities for use to other countries.

The government has introduced multiple policies aimed at projecting India as a science and technology powerhouse and promoting both public and private sector involvement in the R&D practice. As a result, India's gross expenditure on R&D (GERD) has been consistently increasing over the years. The government has also implemented several fellowship schemes to nurture the human capacity for advanced research in the country.

**MARKET SIZE**

The engineering R&D and product development market in India is forecast to post a CAGR of 12% to reach US\$ 63 billion by 2025, from US\$ 31 billion in 2019. As per the Economic Survey 2022, India's gross domestic expenditure on R&D (GERD) as a percentage of GDP stood at 0.66%.

There are 1,30,000 startups (besides unicorns) in December 2023 from 350 startups in 2014. India has witnessed an investment of over Rs. 1,000 crore (US\$ 120.21 million) in Space Startups in the last nine months between April to December 2023.

India's gross expenditure on R&D (GERD) as a percentage of GDP has remained stagnant at around 0.7% for about a decade, lower than Brazil (1.16%), South Africa (0.83%) and others.

IT spending in India will grow 10.7% YoY to reach US\$ 124.6 billion in 2024, as forecasted by Gartner. India's bioeconomy was valued at US\$ 137 billion in 2022 and aims to achieve US\$ 300 billion mark by 2030.

In FY21, the science and technology sector added 1,497,501 employees, becoming India's top employment generator.

Under the Interim Budget 2024-25, the government announced an allocation of Rs. 8,029 crore (US\$ 966 million) to the Department of Science and Technology and Rs. 16,604 crore (US\$ 2 billion) to the Ministry of Science and Technology.

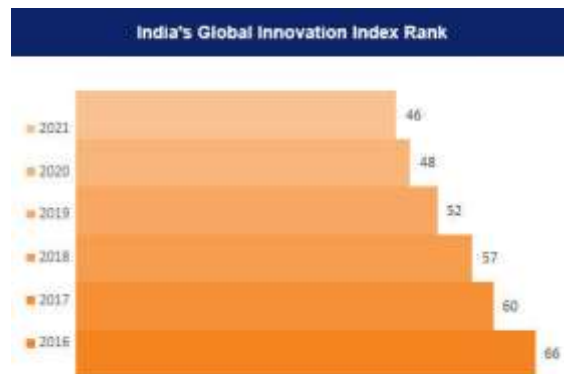
In the Interim Budget 2024-25, the government announced corpus of Rs. 1 lakh crore (US\$ 12 billion) to promote Innovation and StartUps coupled with a new scheme for Deep Tech StartUps in Defence.

According to Commerce and Industry Minister, Mr. Piyush Goyal, the Indian patent office has granted the "highest" number of 41,010 patents till November 15th, 2023.

In the year 2023, an all-time high of 90,300 patent applications were received. The Indian patent office granted more than 1 lakh patents during March 15, 2023, to March 14, 2024, reflecting the government efforts to enhance the intellectual property rights framework.

In India, there are more than 1,580 Global Capability Centres (GCCs), where companies can outsource their product development and receive product engineering services, with the GCC market size crossing US\$ 46 billion (as of FY23). These GCCs are home to some of the largest companies, many of which have their largest or second-largest R&D centres located in the country.

Accenture offers a framework for assessing the economic effect of AI for selected G20 countries in its latest AI research studies and forecasts that AI will raise India's annual growth rate by 1.3% by 2035. India's National Artificial Intelligence Strategy prepared by NITI Aayog outlined a way forward to harness the potential of Artificial Intelligence (AI) in different fields. State University Research Excellence (SERB-SURE) to create a robust R&D ecosystem in state universities and colleges; Fund for Industrial Research Engagement (SERB-FIRE) to support research and development to solve critical problems that are relevant to industries in a public-private partnership mode.



INVESTMENTS /DEVELOPMENTS

Some of the recent developments in the field of science and technology in India are as follows:

- Tata Electronics, with Powerchip Semiconductor Manufacturing Corp (PSMC) Taiwan, will establish a US\$ 11 billion (Rs. 91,000 crore) semiconductor unit in Gujarat, generating 20,000 skilled jobs. Additionally, Tata's TSAT, along with two large American conglomerates, will invest US\$ 3.3 billion (Rs. 27,000 crore) in a semiconductor plant in Assam, creating 27,000 jobs. CG Power, in partnership with Renesas Electronics Corporation, Japan, and Stars Microelectronics, Thailand, will set up a semiconductor unit in Gujarat with an investment of ~US\$ 915 million (Rs. 7,600 crore).
- In November 2023, Lupin Ltd. unveiled world's first fixed-dose triple combination drug for managing chronic obstructive pulmonary disease (COPD).

- In October 2023, Glenmark Pharmaceuticals introduced Zita, a cost-effective triple combination drug for Type 2 diabetes treatment, enhancing glycemic control in diabetic patients.
- Under the National Mission on Interdisciplinary Cyber Physical System (NM-ICPS), 25 Technology Innovation Hubs (TIHs) have been established in the areas of advanced technologies which carry out their activities under 4 major categories, i.e. Technology Development, Human Resource Development, Entrepreneurship Development and Industrial Collaborations. Mission has developed 311 technologies, 549 technology products, 63000+ Human Resource, 1200 Jobs creation and nearly 124 international collaborations till December 2023.
- A total of 192 training programs were organized under this Scheme during the year 2022 and around 8,573 researchers have been trained under Synergistic Training program Utilizing the Scientific and Technological Infrastructure (STUTI).
- In October 2023, the Anusandhan National Research Foundation (NRF) will promote the culture of research and innovation throughout India's universities, colleges, research institutions, and R&D laboratories and give further impetus to clean energy research in India and Mission Innovation, according to Union Minister, Dr.Jitendra Singh.
- In September 2023, Agri-startups were recommended for technical & financial support from pool of Rs. 20 crore (US\$ 2.40 million).
- The National Centre for Good Governance (NCGG) and the Indian National Science Academy (INSA) have joined hands and have launched the 'NCGG – INSA Leadership Programme in Science & Technology (LEADS). Recognizing the critical role played by the scientific leadership in driving scientific progress, this joint initiative seeks to empower them with the tools and capabilities required to effectively lead and navigate the rapidly evolving landscape of science and technology.
- In November 2022, Norwest Venture Partners agreed to invest US\$ 32 million in Cerebral Technologies, which specialises in AI, big data, and enterprise cloud among other technologies. In exchange, Norwest Venture Partners will acquire a minority stake in the company.
- In August 2022, a centre of excellence (CoE) for the Metaverse and Web3 technologies was opened in India by Coforge, a provider of digital services and solutions. Over 1,000 people will be trained and upskilled by the company.
- In August 2022, Samsung announced that it was expanding its industry-academia program PRISM (Preparing and Inspiring Student Minds) across 70 engineering colleges in India. The program will help educate students in the domains of artificial intelligence, machine learning and IoT.
- Technology incubator T-Hub launched the semiconductor companion of the AIC T-Hub Foundation programme to develop innovation and entrepreneurship across the semiconductor sector startups.
- Actis, a global investor in sustainable infrastructure, is planning to invest over US\$ 700 million to acquire and expand assets for its platform aimed at offering real estate to tenants in the life sciences and allied sectors in India.
- In March 2022, Toyota launched its Mirai hydrogen fuel cell car in India. The Indian Oil Corporation would be supplying hydrogen to power the car.
- India's Top 5 IT firms (TCS, Infosys, Wipro, HCL and Tech Mahindra) added more than 122,000 employees in the first six months of FY22, nearly matching the 138,000 employees hired in the entirety of FY21.
- In October 2021, Biz2Credit, a fintech company, announced a plan to invest US\$ 100 million in India over the next five years in research and development activities and expansions.
- From 2014 to 2021, India recorded a 572% growth in patent approvals.
- To accelerate digital innovation in India, NITI Aayog, Amazon Web Services and Intel have come together to develop a new experience studio to boost problem-solving and innovation between government stakeholders, start-ups, enterprises, and industry experts. The new experience studio will use technologies such as artificial intelligence, machine learning, Internet of Things, augmented reality, virtual reality, blockchain and robotics to accelerate their use in the public sector.
- TechnoPro, a Japanese tech firm, plans to hire 10,000 engineers and researchers in India by 2022-23.
- Qualcomm plans to invest US\$ 8.5 million on design initiatives in India, which would include funding its innovation labs at Hyderabad and Bangalore for R&D.

GOVERNMENT INITIATIVES

Some of the recent initiatives taken by the Government of India to promote science and technology in India are:

- In the Interim Budget 2024-25, the government announced corpus of Rs. 1 lakh crore (US\$ 12 billion) to promote Innovation and StartUps coupled with a new scheme for Deep Tech StartUps in Defence.
- In 2023, The National Quantum Mission (NQM) was launched with a budget of ~US\$ 726 million (Rs. 6003.65 crore) spanning from 2023-24 to 2030-31 aimed at fostering scientific and industrial R&D in Quantum Technology, propelling India's leadership in Quantum Technologies & Applications.

- In October 2023, Union Minister Dr. Jitendra Singh launched state-of-art latest National Survey Network; the nationwide "Continuously Operating Reference Stations" (CORS) Network that will be operated by the Survey of India. The Survey of India has set up more than 1,000 CORS stations across India.
- Union Minister of Chemicals and Fertilizers, Dr. Mansukh Mandaviya launches National Policy on Research and Development and Innovation in Pharma-MedTech Sector in India and Scheme for promotion of Research and Innovation in PharmaMedTech Sector (PRIP) in September 2023.
- The Indian Space Policy-2023: It was approved by the Cabinet Committee on Security on April 6, also permits non-government entities (NGEs) to offer national and international space-based communication services, through self-owned, procured or leased geostationary orbit (GSO) and non-geostationary satellite orbit (NGSO) satellite systems. NGSO is a reference to low earth orbit or medium earth orbits that are home to satellites providing broadband internet services from space.

The policy also encourages NGEs to establish and operate ground facilities for space object operations, such as telemetry, tracking and command (TT&C) Earth Stations and Satellite Control Centres (SCCs).

- In 2023, Strengthening, Upscaling & Nurturing Local Innovations for Livelihood (SUNIL) Programme
 1. Technology delivery & enterprise creation model for improving the efficiency of the livelihood system.
 2. Technology interventions for Addressing Societal Needs (TIASN)
 3. Capacity Building of Community-based organizations (CBOs), NGOs, Knowledge Institutions (KI) & Social Start-ups
- The Technology Interventions for Disabled and Elderly (TIDE) programme is a unique initiative of DST to create inclusiveness and universal accessibility for Divyangjan and the Elderly, through the promotion and development of various assistive tools, technologies, techniques, affordable & adaptable to the Indian milieu.
- In November 2022, India announced an additional contribution of US\$ 5 million to the ASEAN-India Science and Technology fund to increase cooperation in sectors of public health, renewable energy, and smart agriculture.
- In November 2022, the Department of Science and Technology (DST) and the Centre for Science and Environment (CSE) decided to work together to build a platform to support the development of new electric vehicle (EV) batteries that meet Indian regulations.
- A MoU was signed between the Department of Science and Technology (DST), the Ministry of Science and Technology & Earth Sciences, and the Ministry of Ayush. The MoU outlines potential research areas to investigate collaboration, convergence, and synergy for an evidence-based scientific intervention in the Ayush sector and further integration of these into the public health care system.
- The Indian Council of Medical Research (ICMR) has received 31 bids from manufacturers showing interest in developing the vaccine for the monkeypox virus after the medical body put out an Expression of Interest (EOI) for the development of vaccine and diagnostic kits.
- In 2021-22, African Centers of Excellence in a few specific scientific fields were strengthened by twinning with Indian institutes to carry out the Africa-India S&T Initiative Program by the Department of Science and Technology.
- The Department of Science & Technology (DST) has revamped the FIST (Fund for Improvement of S & T Infrastructure in Universities and Higher Educational Institutions) programme to align it with the objective of Atmanirbhar Bharat by developing R&D infrastructure for use by start-ups, manufacturing companies, and MSMEs, in addition to R&D operations in academic organisations.
- The Women Science programme of DST has started a new initiative to support women PG colleges under the CURIE (Consolidation of University Research for Innovation and Excellence in Women Universities) Program and invited proposals for the same.
- Under the Union Budget 2023-24, the government announced the allocation of Rs. 16,361 crore (US\$ 1.99 billion) to the Department of Science and Technology.
- To further India with High-Performance Computing (HPC), four new Supercomputers have been installed since July 2021 - one each at IIT-Hyderabad, NABI-Mohali, CDAC-Bengaluru, and IIT Kanpur.
- Synergistic Training Program Utilizing the Scientific and Technological Infrastructure (STUTI), a new initiative, was recently unveiled to enhance human resource development and capacity building through nationwide open access to science and technology infrastructure.
- The Science and Engineering Research Board (SERB) has partnered with Intel India to launch a first-of-its-kind initiative to advance deep tech-based research in India.
- In November 2021, the Ministry of Science and Technology and Ministry of Earth Sciences, in association with VijnanaBharati (VIBHA), launched the India International Science Festival 2021, a unique platform, with its theme being a celebration of creativity in science, technology and innovation for a prosperous India.

- In November 2021, Atal Innovation Mission and VigyanPrasar collaborated to drive synergies between Atal Tinkering Labs and VigyanPrasar's unique platform, Engage with Science.
- In October 2021, the government announced plans to establish 75 science technology & innovation hubs in India for scheduled castes (SCs) and scheduled tribes (STs) and empower them to contribute to the socio-economic improvement of the country.
- In October 2021, the government launched the Indian Space Association (ISpA) to accelerate technology advancements and strengthen the space sector in the country.
- In October 2021, India and Denmark agreed to a five-year plan to implement a green strategic partnership for enhancing collaboration in various areas including science and technology.
- In October 2021, India and Europe held discussions to review the progress of science and technology bilateral cooperation and strengthen efforts on research and innovation.

ROAD AHEAD

India ranks third among the most innovative lower-middle-income economies in the world. Rising per capita income in India will bring a boom in R&D investment in the country with multiple foreign players shifting R&D bases to India. R&D investment and multiple government policies have helped Indian companies overcome tight competition with affordable products internationally.

India plans to move forward with developing its science and technology sector by collaborating with other countries. India has active bilateral science and technology (S&T) programs of cooperation with more than 45 countries, including dedicated programs for Africa, ASEAN, BRICS, EU and neighbouring countries. In 2021, India also collaborated with Denmark and agreed to a five-year plan to implement a green strategic partnership for enhancing partnerships in various areas, including science and technology.

India is aggressively working towards establishing itself as a leader in industrialization and technological development. Significant developments in the nuclear energy sector are likely as India looks to expand its nuclear capacity. Moreover, nanotechnology is expected to transform India's pharmaceutical industry. The agriculture sector is also likely to undergo a major revamp with the government investing heavily in a technology-driven green revolution. The Government of India, through the Science, Technology, and Innovation (STI) Policy-2013, among other things, aspires to position India among the world's top five scientific powers.



Source: <https://www.ibef.org/industry/science-and-technology>

INDUSTRY OVERVIEW OF E-WASTE MANAGEMENT MARKET

India is among the top five countries in the world that generate e-waste, including China, USA, Japan and Germany. In 2023, the global volume of e-waste was estimated at a massive 61.3 million tons. India is currently the third largest producer of e-waste in the world, generating about 3.2 million tons annually. According to estimates by Toxics Link, this is expected to increase to about five million tons by 2030. A study by ASSOCHAM found that computer equipment accounts for almost 70% of e-waste in India. About one-fifth of this waste comes from Maharashtra alone, but only about 47,810 tons are recycled per year in the state. The other major contributors are Tamil Nadu (13%), Uttar Pradesh (10.1%), West Bengal (9.8%), Delhi (9.5%), Karnataka (8.9%), Gujarat (8.8%) and Madhya Pradesh (7.6%).

Due to poor infrastructure and lack of legislation and framework for recycling e-waste, only about 5% of India's total electronic trash gets recycled officially every year. Over 95% is managed by scrap dealers who dismantle them instead of recycling — causing wastage of depleting natural resources and irreversible damage to environment and lives due to hazardous methods employed. e-waste management market does not have an up-to-date inventory or numbers for how much e-waste it generates each year which makes it difficult to know how much is recycled or disposed. People need initiatives that encourage them to dispose their old electronics correctly as well as reuse habits that help move towards circular economy. Better infrastructure around management of waste as well as policies and regulatory frameworks will be game changer.

In response to increasing amounts of unsafe disposal practices happening within India's informal sector which handles over 95% of its recycling activities; E-Waste (Management) Rules were implemented across the country in 2022 that included the concept of Extended Producer Responsibility (EPR) — a key principle of India's e-waste management. These rules cover over 100 types of electronic equipment across seven categories. However, only about 5% of India's electronic waste is actually recycled in formal sector and is processed using unsafe and environmentally damaging methods. Public institutions and startups have been working on more advanced ways to dismantle, segregate and process such trash. However, the progress of formal recycling units has been sluggish.

Key Findings in India E-Waste Management Market

Market Forecast (2032)	US\$ 5,198.52 million
CAGR	13.52%
By Recycler Type	Metal Recyclers (64.6%)
By Source	Consumer Electronics (62.4%)
By Application	Disposable (86.9%)
By Material	Metal (65.2%)
Top Trends	<ul style="list-style-type: none"> • Growing demand for refurbished products in tier 2 and tier 3 cities • Transition from mere collection and recovery to offering wider services like refurbishment and secure data wiping • Mainstreaming e-waste management in urban planning and development
Top Drivers	<ul style="list-style-type: none"> • Rapid technological advancements leading to shorter product life cycles and increased e-waste generation • Government initiatives and regulations like Extended Producer Responsibility (EPR) to manage e-waste • Rising consumer awareness about proper e-waste disposal and recycling
Top Challenges	<ul style="list-style-type: none"> • Lack of proper e-waste collection and recycling infrastructure across India • Dominance of informal sector leading to unsafe recycling practices and environmental damage • Low public awareness and participation in formal e-waste collection

and recycling channels

Current Status of India E-Waste Management Market

- **Informal Sector:** Currently, approximately 90% of e-waste collection and 70% of recycling in India is managed by the informal sector. Efforts are being made to formalize and regulate the e-waste recycling industry to ensure proper handling and disposal of e-waste.
- **Certification Programs:** Initiatives like e-Stewards have been introduced to audit and certify recyclers and take-back programs, allowing conscientious consumers to identify those that meet high standards.
- **Co-funded Grant Scheme:** The Indian government offers a co-funded grant scheme that covers between 25% to 50% of the project costs for e-waste management facilities and building capacity for e-waste businesses.
- **Waste to Wealth Mission:** The Waste to Wealth Mission, set up under the Prime Minister's Science, Technology & Innovation Advisory Council, is an initiative by the Office of the Principal Scientific Advisor to the Government of India. It aims to leverage global technological capabilities to create socio-economic benefits for the population of India. This mission is part of the government's commitment to effective waste and pollution management.

India's E-Waste Problem: A Massive Opportunity for Growth in E-Waste Management Market

India has a growing e-waste problem. While it is the third largest generator of electronic waste globally, the country does not have enough formal recycling facilities to cope with its production. Only 32.9% of India's e-waste — between 2 million and 3.2 million tons annually — undergoes proper recycling, according to estimates from the Ministry of Electronics and Information Technology (MeitY). The informal sector handles the rest, often using hazardous or inefficient processes. The country now has 468 authorized dismantlers/recyclers spread across 22 states, with a total capacity of 1.38593 million metric tons per annum (mtpa), but many operate at less than half capacity on average. Haryana leads in e-waste collection and processing this year with 245 thousand metric tons; other major contributors include Uttar Pradesh, Uttarakhand, Tamil Nadu and Haryana.

This uneven distribution of facilities in urban areas across the e-waste management market means that nearly four-fifths (78%) of India's e-waste goes uncollected or is mismanaged, says Amitabh Sinha from MeitY's environment division. New rules introduced by the government last month are designed to encourage more proper disposal and recycling through formal channels. The ministry also runs awareness programs and supports research into safer ways to recycle waste.

In an interim budget 2024, the Indian government made several references to funding improvements in recycling infrastructure and addressing issues with e-waste management. It suggested allocating money for state-of-the-art recycling centers run by private enterprises or boards under defense service establishments; integrating extended producer responsibility (EPR) into the budgetary framework; launching nationwide campaigns to improve awareness about correct disposal methods for e-waste; and providing substantial resources for research and innovation in e-waste management technologies. The budget also called for steps to be taken to ensure consumers' Right to Repair their products, which would force manufacturers to share spare parts and repair instruction manuals with customers. The movement toward a circular economy and more open competition is gaining support in the US, UK and EU.

A Hidden Treasure Trove of Valuable Metal Offers revenue Opportunity of US\$ 3,428.75 million by 2032 In India's E-Waste Management Market

India's e-waste management sector presents a significant economic opportunity to recover valuable metals from discarded electronics. E-waste contains valuable metals like gold, silver, platinum, copper and palladium. When these metals are extracted and reused, it makes for a more cost-effective approach than traditional mining. For example, one ton of computer scrap contains more gold than 17 tons of gold ore. In fact, cell phones hold 5 to 10 times more gold than the minerals found in ore. Strangely enough, even with their primitive techniques, the informal e-waste sector in India still manages to maintain remarkable metal recovery rates. While only about 30% of cobalt from e-waste is typically recovered, advanced recycling methods can achieve up to a 75% recovery rate.

The economic impact of precious metals lost through unrecycled e-waste is estimated at a staggering USD 57 billion around the world. This positions e-waste as a potential 'urban mine' for crucial metals that India presently imports. Recycled e-waste offers original equipment manufacturers (OEMs) a readily available and eco-friendly source for vital components as well. To put this into perspective: Recycling just five tons of e-waste (approximately 183 computers) can generate a profit of Rs 1,78,308.

Consumer Electronics e-Waste to Offer Revenue Opportunity of US\$ 3,286.92 million by 2032 In India E-Waste Management Market

India, after China and the US, is the world's third-largest producer of electronic waste (e-waste). 82% of India's e-waste comes from personal devices such as smartphones, tablets, laptops and PCs. The number translates to roughly 2.1 million tons of personal devices that needed recycling in 2023. But only about 78,000 tons of it were likely recycled officially last year — less than 3% of India's total e-waste or around 70% of its personal device waste. Telecom/phones made up most of the remaining e-waste at 12%, followed by electrical equipment at 8%, medical equipment at 7%. The huge volume in the e-waste management market is due to the massive sales growth in electronic gadgets which has boosted demand for recycling, repair and reuse especially of metal-based electronics. India struggles with managing e-waste in any way possible. These include a lack of knowledge about the harmful nature of e-waste, safety concerns, and high recycling costs. Additionally, the disassembly process could expose workers to airborne lead and mercury.

To solve these issues, India has placed new e-waste rules which took effect on April 1, 2023. These rules suggest an average lifespan for electronic products and goal recycling figures based on sales volumes of electronics. For example, it is calculated that scanners will need to recycle at least 900 kg in 2023 based on a 60% rate and a sales volume of 1500 kg in 2018. The government also implemented policies that focus on EPR (extended producer responsibility), recycling standards, and ensuring environmentally friendly practices are followed when disposing of items. Thus, giving an impetus to the growth of the e-waste management market in the years to come.

BUSINESS OVERVIEW

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

You should carefully consider all the information in this Letter of Offer, including, “Risk Factors”, “Industry Overview”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition” beginning on pages 23, 54, 74 and 108 respectively, before making an investment in the Equity Shares.

In this section, any reference to the “Company” “we”, “us” or “our” refers to Sylph Technologies Limited.

OVERVIEW

Our Company is a software technology company in India, providing software development services & solutions with services such as outsourcing software development, web development, product development, strategy consulting, offshore software development, e-commerce for web and mobile enablement.

Further, the company is engaged in constructing, operating, maintaining, managing, controlling and administering, Earth Works, farmhouses, Parks, Gardens, Row houses, Duplex Apartments, Commercial, Residential or Industrial building Complexes, Retail Stores, Shopping Centers, Market Yards etc.

Furthermore, the company carry on the business of collection, segregation, transportation, trading, processing, composting, recycling, treatment and disposal of all types of waste (whether solid, liquid or gaseous substances) and including municipal solid waste, electronic waste (e waste), construction and demolition debris, bio-medical waste, hazardous waste, sewage, waste water etc.

OUR COMPETITIVE STRENGTHS

1. Experienced Management Team:

Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. They are having an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our management have been instrumental in driving our growth and implementing our strategies. We believe that the experience of our management team and its in depth understanding of the real estate market in the region will enable us to continue to take advantage of both current and future market opportunities.

2. Quality

Our Company has always believed in the best quality in our products. Our Company is dedicated towards quality of our products and we adhere to quality standards as prescribed by our clients.

3. Operation methodology

We focus on the overall management of our projects, including land acquisition, project conceptualization and marketing. We work with service providers which enable us to access third party design, project management and construction expertise. We also associate with other third party architects, project management consultants, contractors and international property consultants.

4. Scalable Business Model

We believe that our business model is scalable. Our Business model is customer centric, and requires optimum utilisation of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is basically due to development of new markets both domestic and international by exploring customer needs and by maintaining the consistent quality output.

5. Rich and diversified customer base

We have rich and diversified customers and is segmented by large enterprises as well as small and medium businesses (SMBs) based on the adoption of SaaS delivery model in different size organizations in various verticals based on the Industry includes, Retail, Banking Financial Services and Insurance (BFSI), Telecom Media and Technology (TMT), healthcare, discrete manufacturing, travel and hospitality, utilities (energy and power, oil and gas, water management, etc.) and others, including education.

6. Continuous investment in R&D

Our Company provides global e commerce technology platforms for companies in the retail and wholesale industries with full spectrum, fully integrated products to upgrade and update existing products.

We intend to develop a new feature or innovative e commerce products based on artificial intelligence, Internet of Things (IoT) and Machine Learning. We will empower data experts in research, design, analysis, prototyping and quality check to implement content solutions that keep online businesses moving forward. Our Research and Development team would explore the expertise to develop, design, and enhance our products, services, technologies, or processes. Our companies' goals for research and development are well matured, thereby increasing productivity or new innovative product lines of our e commerce software's and platforms.

OUR STRATEGIES

We strive for complete transparency and satisfaction of our clients with an unwavering thrust and focus on professional excellence and integrity. Our key strategic initiatives are described below:

1. Increase geographical presence

Our Projects have been currently located in Indore region in Madhya pradesh . Going forward we plan to establish our presence in the other regions in Madhya pradesh and we intend to execute projects in other major cities. Our emphasis is onexpanding the scale of our operations as well as growing our geographical presence, which we believe will provide attractive opportunities to grow our business and revenues.

2. Competitive Pricing

To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the competition and claim a position of strength in the marketplace.

3. Attracting and retaining the highest quality professionals

In our industry People are the most valuable asset of the company and the reputation of the company will be built upby the management team. The dedication of the employees, professional skill, integrity and technical analytical mindresults in success and growth of business. The well informed, technically and professionally qualified employee willhelp the clients to take correct decision and thereby we can retain the clients and increase our clientele through mouthpublicity of our company. We intend to continue to seek out talent to further enhance and grow our business.

PROPERTY

Intellectual Property

Our Company do not own any intellectual property including trademark.

Manpower

Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance.

The following is a department-wise break-up of our employees as on March 31, 2024 do not have any outstanding export obligations.

Sr. No.	Category	Total
1	Management	5
2	Others	3
	Total	8

OUR FINANCIAL PERFORMANCE

Particulars	Financial Statements for the Financial Year ending			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	81,31,99,000	14,90,00,000	14,90,00,000	14,90,00,000
Net Worth	77,94,79,000	14,04,30,000	13,40,63,000	12,84,34,000
Total Income	16,16,00,000	54,56,5000	11,37,6000	30,75,000
Profit / (loss) after tax	(2,51,50,000)	7,63,9000	3,33,4000	1,96,000
Basic and diluted EPS	(0.031)	0.043	0.224	0.013
Total borrowings	2,52,80,000	73,41,000	1,57,66,000	-

MAIN OBJECTS OF OUR COMPANY AS PER MOA

A. MAIN OBJECT OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION

1. To buy, sell, deal in import, export, carry on research & development and work, to design, develop system software, application software and any other software in India abroad.
2. To impart training, conduct seminars, workshop, capsule courses on computers, computers maintenance, software development, software export and depute personnel to develop & design software in India & abroad and to start ISDLAN (Integrated Services Digital Local Area Network), Dial for data centers, Technology parks in India and abroad, internet services providers, IPS communication link.
3. To promote schools, colleges, institutions for imparting education in computers.
4. To provide consultancy services, advices in India and abroad about computer education, software & electronics.
5. To promote, develop, generate, distribute, accumulate, transit, supply and/ or sell, electricity and/or power, by installing power plant(s), whether for captive consumption by any unit/ division of the company, or for sale to any Group Company or third party, including any State Electricity Board or distribution company, whether based on thermal, hydel, gas, solar, wind energy tidal energy, or any other source, whether conventional or non-conventional, and to lay down and / to establish power stations, cables, transmission lines, towers, sub-stations, terminals and /or other works for the aforesaid purposes and to promote, form, acquire, run and/ or manage any company or undertaking engaged in similar activities, within the policies, if any, laid down by the Central Government from time to time, and for any or all the aforesaid purposes, to do all the ancillary activities as may be necessary or beneficial or desirable, including all activities relating to the establishment, operation and maintenance of a power plant.
6. To promote, establish, run manage and maintain, educational institutions, colleges of arts, research, sciences, information technology and business administration; higher level schools, academics, technical training centers and such other educational institutions as may be considered appropriate for the promotion and advancement of education in the country with national and international affiliations to acquire the services of professors, associate professors, lecturers, teachers, managements skills and other professional from within the country and abroad as would be needed to run and promote university and related educational institutions set up by the Company subject however, to the permission of competent authority but not to operate itself as a university and not to act as a degree awarding institution.
7. a. To carry on the business of manufacturing, processing, distilling, compounding, formulating, acquiring, buying, selling, importing, exporting and dealing in all enzyme products from animal, microbial, plant sources, products from fish sources, vegetable and herb extracts, agricultural products including cattle feed, and all chemicals heavy or fine, organic, inorganic, biological or any other formulations, derivatives and compounds thereof from mineral origin or from other chemicals or from by-products or waste products of other trades and industries and other branded preparations and compounds, derivatives and formulations thereof and consumers products based thereon, pharmaceutical specialities, surgical specialities, cosmetics, germicides, detergents and acids.
b. To establish and run an extraction plant for the extraction of oils, colouring matters, crude drugs and other extracts from seeds, barks, cakes, flowers, plants in all forms for the production of natural colourants, alkaloids, steroids, other drugs and medicines and other products
8. a. To carry on the business of printer, stationers, paper merchant, lithographers, type founders, stereotypers, photographic printers, photolithographers, engravers, die-sinkers, book binders, designers, draughtsman paper and ink manufacturers, book sellers, publishers, advertising agents, engineers, and dealers in or manufacturers of Directors to be conveniently carried on by this company in any part of the world;
b. To carry on business as Printer and Publisher of newspapers, journals, magazines, books and other literary works in Hindi, English or any other language;
c. To establish competition in respect of contributions or information suitable for insertion in any publication of the company or otherwise for any of the purpose of the company, and to offer and grant prizes, rewards and premiums of such character and in such terms as may seem expedient;

d To acquire, purchase, register or obtain any rights, interest or privileges in the copy right of any book paper, pamphlet, picture, work of art, design, drama, poem or composition, musical or otherwise, patent rights or rights of an analogous character and licenses with reference to secret processes machinery, plant implements and tools of all kinds and to grant leases or licenses of or to sell or deal with the same

9. To carry on in India or elsewhere the business to provide, commercialize, control, develop, establish, handle, operate, hold, pack, organize, promote, service, supervise, represent and to act as agent, concessionaires, consultants, booking agents or deal in all types reusable materials/scrab through recycling operations, remediation services for decontaminating buildings, mine sites, soil, or groundwater, and dispose of garbage and other waste materials

10. To carry on the Business as Planners, Builders, Real Estate Developers, Architects and Civil Engineers, Contractors, Real Estate Brokers, Agents, Brick Makers, and to build/construct own, operate, maintain, manage, control and administer, Earth Works, farmhouses, Parks, Gardens, Rowhouses, Duplex Apartments, Commercial, Residential or Industrial building Complexes, Retail Stores, Shopping Centers, Market Yards and deal in, manage and carry on all types of businesses and profession related to land dealings, buildings, farms, estates, properties, areas and sites and to act and undertake and carry on business as stockists, manufacturers, representatives, suppliers, dealers, agents, distributors, marketeers, importers and exporters of all types of building and construction machineries, equipments, materials and related products.

11.To carry on the business, whether within or outside India, of collection, segregation, transportation, trading, processing, composting, recycling, treatment and disposal of all types of waste (whether solid, liquid or gaseous substances) and including municipal solid waste, electronic waste (e waste), construction and demolition debris, bio-medical waste, hazardous waste, sewage, waste water etc undertake use, sale, marketing and/or distribution of all products and by-products that are generated in the process of treatment or disposal of waste and waste products (such as compost, energy and refuse derived fuel generated form waste to energy processes such as biomethanation etc methane gas from landfill, processing, electronic products suitable for re-use with or without refurbishing paper, metals and other materials including chemicals obtained from treatment of wastes) and to develop, construct, operate and/or maintain/manage processing facilities for all types of waste and waste products including composting plants, landfills and sewages treatment plants, waste water treatment plants, incinerators, refuse derived field plants, electronic waste processing plants and to also undertake development, marketing, purchase, sale and/or trading of financial instruments that would enable the financing of waste collection, treatment or processing projects (including carbon emission receipts (CERS)) and any other related activities.

CHANGES IN MEMORANDUM OF ASSOCIATION

The following changes have been made in the Memorandum of Association of our Company since inception:

Sr. No.	Particulars	Date of Meeting
1.	Name Clause of The Company changed from Majjarrsha Housing Finance Limited to MHFLTechnologies Limited .	25th July, 2002
2.	Name Clause of The Company changed from MHFL Technologies Limited to Sylph Technologies Limited .	5th May, 2005
3.	Authorised Share Capital of the Company Increased from Rs. 6,000,000/- (Rupees Six Crores Only) divided into 60,00,000/- (Sixty Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 15,00,00,000/- (Rs. Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each	5th October, 2009
4.	Alteration of Memorandum of Association ("MoA")	21st April, 2023
5.	The Authorised Share Capital of the Company changes from Rs. 15,00,00,000/- (Rs. Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares ofRs. 10/- (Rupees Ten Only) each to Rs. 15,00,00,000/- (Rupees Fifteen CroresOnly) divided into 15,00,00,000/- (Fifteen Crores) Equity Shares of Rs. 1/- (Rupees One Only). each	21st April, 2023
6.	The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 15,00,00,000/- (Fifteen Crores) Equity Shares of Rs. 1/- (Rupees One Only) each." Alteration of Memorandum of Association ("MoA") as per the provisions of the Companies Act, 2013.	21 st April, 2023
7.	The Authorised Share Capital of the Company increased from Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 15,00,00,000 (Fifteen Crores) Equity Shares having face value of Re.1/- each to Rs. 100,00,00,000 (Rupees One Hundred Crores Only) divided into Rs. 100,00,00,000 (One Hundred Crores Only) Equity Shares of face value Re. 1/- each.	15 th September, 2023
8.	Alteration in Object Clause of Memorandum of Association ("MoA")	20 th June, 2024.

OUR MANAGEMENT

BOARD OF DIRECTORS

As on date of this Draft Letter of Offer, our Company currently has 5 (Five) directors on its Board, 3 (Three) Independent Director. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Letter of Offer:

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other directorships
<p>MR. PRANAY VAID</p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> 47,B nemi nagar jain colony behind jain mandir Indore ,Madhya Pradesh 452009.</p> <p><i>Occupation:</i> Business;</p> <p><i>Current Term:</i> Appointed for a period of Five consecutive years</p> <p><i>Date of Appointment</i> Since December 24, 2022</p> <p><i>Nationality:</i> Indian;</p> <p><i>Date of Birth:</i> August 01, 1981</p> <p><i>DIN:</i> 09816710</p>	43 years	No. of other Company directorships-0
<p>MS. MINAXI PAREKH</p> <p><i>Designation</i> Non-Executive - Independent Director</p> <p><i>Address</i> C1,404,aangan residency-1 near gaytrinagar society punagam bhaiya nagar,surat City Surat Gujrat-3950510.</p> <p><i>Occupation</i> Business</p> <p><i>Current Term</i> Appointment for 5 Year;</p> <p><i>Date of Appointment</i> Since February 16, 2023</p> <p><i>Nationality</i> Indian;</p> <p><i>Date of Birth</i> February 17, 1984</p> <p><i>DIN</i> 09769729</p>	40 years	No. of other Company directorship –1 i)Sru Steels Limited

MR.PANKAJ KALRA <i>Designation</i> Non-Executive - Independent Director <i>Address</i> 1825, Preet Nagar,MOH,TIHAI,Mawana,Mawana Kalan,Meerut,Uttar Pradesh-250401. <i>Occupation</i> Business <i>Current Term</i> Appiontment for 5 year <i>Date of Appointment</i> Since December 24, 2022; <i>Nationality</i> Indian <i>Date of Birth</i> April 28, 1978 <i>DIN</i> 09816592		46 Years	No. of other Company directorship – 0
MS. ARCHANA GULIA <i>Designation</i> Non - Executive Director <i>Address</i> Gehli(137)Teh,narnaul,Mahendragarh,Haryana-123001 <i>Occupation</i> Business <i>Current Term</i> Appiontment for 5 year <i>Date of Appointment</i> Since December 24, 2024; <i>Nationality</i> Indian <i>Date of Birth</i> March 21, 1998 <i>DIN</i> 09816488		27 years	No. Of other company directorship – 1 Godha Cabcon & Insulation Limited
MR. SHAILESH BAJIBHAIPATEL <i>Designation</i> Non-Executive - Independent Director <i>Address</i> 6, Tulsi Nagar, Mahila College Road, Unjha, Unjha Mahesana, Unjha Gujarat India 384170 <i>Occupation</i> Business <i>Current Term</i> Appiontment for 5 year <i>Date of Appointment</i> Since September 28, 2023; <i>Nationality</i> Indian <i>Date of Birth</i> January 31, 1968 <i>DIN</i> 02456670		56 Years	No. of other Company directorship –5 i)Salient Enterprises Private Limited ii)Tarang Projects And Consultant Limited iii)Ksemya Finex Services Private Limited iv)Shaiji Capital Services Private

		Limited v)Welcome Immigration Private Limited
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Past Directorships in suspended companies

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

Past Directorships in delisted companies

Further, none of our Directors are or were 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 during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

Relationship between Directors

None of our Directors are related to each other.

Arrangement or understanding with major Shareholders, customers, suppliers or others

Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers, or others pursuant to which any of the above-mentioned directors have been appointed in the Board.

Details of service contracts entered with Directors

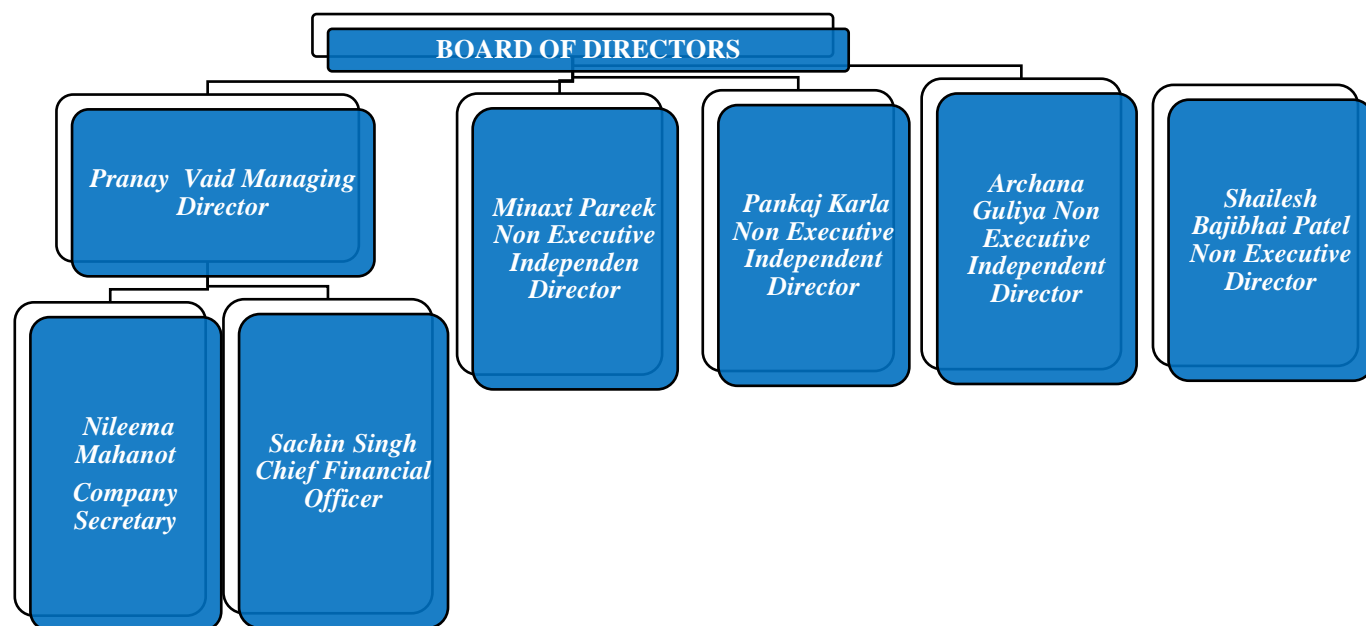
Our Company has not entered into any service contracts with the present Board of Directors for providing benefits upon termination of employment.

KEY MANAGERIAL PERSONNEL

Status of Key Managerial Personnel		Age (Years)
MR. SACHIN SINGH		
<i>Designation</i>	Chief Financial Officer	
<i>Address</i>	C-5/137B, Block-C5 Near C5 Block Mandir DDA Flats Kesahav Puram North WEST Delhi – 110035.	45 years
<i>Date of Appointment</i>	October 17, 2023	
<i>Nationality</i>	Indian;	
<i>Educational Qualification</i>	B.com Graduate	

Status of Key Managerial Personnel	Age (Years)
<p>MS. NILEEMA MAHANOT</p> <p><i>Designation</i> Company Secretary and Compliance Officer;</p> <p><i>Address</i> C/o Hanuman mal Mahanot, Near Terapanth Bhawan Post-Udasar, Dist-Bikaner, (RAJ), PIN-334022/Phone – (0151) 2752315</p> <p><i>Date of Appointment</i> August 08, 2023</p> <p><i>Nationality</i> Indian;</p> <p><i>Educational Qualification</i> Company Secretary;</p>	35 Years

ORGANISATIONAL STRUCTURE



SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars	Page Number
1.	Audited Financial Statements of our Company as at and for the financial year ended March 31,	74-100

Sr. No.	Particulars	Page Number
	2024	
2.	Unaudited Financial Statements of our Company as at and for the quarter year ended June 30, 2024	101-105

Material changes and commitments, if any, affecting our financial position

There are no material changes and commitments, which are likely to affect our financial position since March 31,2024till date of this Letter of Offer. We have not given Restated Financials because we fall under Part B of SEBI (ICDR), 2018.

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To The Members of

Sylph Technologies Limited

Report on the Audit of Standalone Financial Statements

We have audited the accompanying standalone financial statements of Sylph Technologies Limited, which comprises the Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement sections of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matter

Our opinion is not modified in respect of this matter.

Key Audit Matters

In our professional judgement there were no matters identified as Key audit matters ('KAM')

Information Other than the Financial Statements and Auditor's Report Thereon The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information; we required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and Cash Flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high-level assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain, professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013. We are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

-Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Materiality is the magnitude of misstatements in the financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

As required by Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India, sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information & explanations which to the best of our knowledge and belief were necessary for the purpose of audit.
- b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
- c) The Balance sheet, the Statement of Profit and Loss, Statement of changes in equity and Statement of Cash Flow dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended.
- e) On the basis of written representation received from the directors as on 31st March 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended:
 - e) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provision of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- The Company does not have any pending litigations

- The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lender invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iii) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain material misstatement.

During the year the company has not declared any dividend.

**For BMGS & Associate
Chartered Accountants
Firm Reg. No 026886N**

Place: New Delhi

Vaibhav Bajaj,
FCA M. No.
520512
Partner Date: 16/05/2024
UDIN: 24520512BKBESL4474

Annexure-A to the Independent Auditors’ Report

The Annexure referred to in Independent Auditor’s report to the members of SYLPH TECHNOLOGIES LIMITED for the year ended 31st March 2024.

We report that:

I. In respect of the Company’s fixed assets

(i) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant & Equipment.

(ii) The company does not own any intangible asset

The Management has confirmed that the Fixed Assets have been physically verified by them at reasonable time intervals in a phased manner, which in our opinion is reasonable having regards to size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

c) According to the information and explanations given to us and on the basis of our examinations of the records of the company, the title deeds of immovable property are held in the name of the company.

d) The company has not revalued its Property Plant & Equipment during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company

e) According to the information and explanations given to us and on the basis of our examinations of the records of the company, no proceedings have been initiated or are pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder.

II. In respect of Company's inventory

The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. There were no discrepancies noticed on physical verification of inventory as compared to book records

III. a) During the year the company has not provided loans to companies, firms, LLP and other parties details are as follows:

b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions under which loans have been granted by the company during the year are not prejudicial to the company's interest.

c) The schedule of repayment of principal and payment of interest has not been stipulated; therefore, repayments or receipts of principal amounts and interest cannot be determined. d) In absence of any stipulation overdue amount of principal and interest cannot be determined.

d) In absence of any stipulation overdue amount of principal and interest cannot be determined.

e) No loans or advances has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to related parties as defined in clause (76) of section 2 of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

IV. In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans, investments and guarantees given.

V. The company has not accepted any deposits within the meaning of section 73 to 76 of the Act from the public. Accordingly, the provisions of clause 3(v) of the order are not applicable to the Company.

VI. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Company Act 2013, in respect of the activity carried on by the company.

VII. According to information and explanations given to us, in respect of statutory dues

a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Custom Duty, Excise Duty, Cess and other material Statutory Dues, if any, as are applicable to it.

According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Custom Duty, Excise Duty, Cess and other Statutory Dues were outstanding, at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute.

VIII According to the information and explanation given to us, there was no transaction found unrecorded in books of accounts of the company which have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

IX. (a) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has not used funds raised on short-term basis for long-term purposes.

(e) The company does not have any subsidiary, associate and joint venture hence reporting under clause 3(IX)(e) of the Order is not applicable to the Company.

(f) The company does not have any subsidiary, associate and joint venture hence reporting under clause 3(IX)(f) of the Order is not applicable to the Company.

X. a) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting under clause 3(X)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

XI. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As per information and explanation given by the management there were no whistle blower complaints received by the company during the year.

XII. As, the company is not a NIDHI company. Accordingly, paragraph 3 (xii) of the order is not applicable.

XIII. According to the information and explanation given to us and based on our examination of the records of the company transactions with the related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

XIV. (a) Company has an internal audit system commensurate with the size and nature of its business. (b) Reports of the internal auditors for the period under audit are considered by us

XV. According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into any non-cash transaction with directors or persons connected with him as referred to in section 192 of Companies Act, 2013

XVI. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) This clause is not applicable to company as it is not CIC

XVII. The company has not incurred cash losses during the year and not incurred cash losses during immediately preceding financial year. XVIII. No resignation of the statutory auditors has taken place during the year.

XIX. According to the information and explanation given to us and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions nothing has come to our attention which causes us to believe that material uncertainty exists as on the date of audit report and company is not capable of meet its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the date of balance sheet. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities failing due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

XX. Provisions for CSR as per section 135 of The Companies Act 2013 is not applicable on the company.

XXI. The company is not a Holding company as such this clause is not applicable.

For BMGS & Associate
Chartered Accountants
Firm Reg. No 026886N

Place: New Delhi
16/05/2024

Vaibhav Bajaj, FCA Date:
M. No. 520512
Partner
UDIN:24520512BKBESL4474

Annexure – B to the Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) We have audited the internal financial controls over financial reporting of SYLPH TECHNOLOGIES LIMITED as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the company.

Meaning of Internal Financial Controls over Financial Reporting .

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting

criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BMGS & Associate
Chartered Accountants
Firm Reg. No 026886N

Place: New Delhi
16/05/2024

Vaibhav Bajaj, FCA Date:
M. No. 520512
Partner
UDIN:24520512BKBESL4474

SYLPH TECHNOLOGIES LIMITED CIN-L36100MP1992PLC007102 Statement of Assets and Liabilities as at 31stMarch 2024 (All figures in INR lakhs,Unless otherwise stated)				
	Particulars	Note No	AsatMarch31, 2024	AsatMarch31, 2023
A	ASSETS			

1	Non-current assets			
	Property, plant and equipment	3	0.50	-
	Capital work-in-progress		-	
	Other intangible assets			0.17
	Investments in subsidiaries, associates and Joint ventures		-	-
	Financial assets		-	-
	Investments Loans & Advances		-	-
	Other financial assets		-	-
	Deferred tax assets(net)		-	-
	Sub-total-Non-CurrentAssets		0.50	0.17
2	Current assets			
	Inventories	4	0.02	-
	Financial assets			
	Trade receivables	5	379.01	-
	Cash and cash equivalents Loans & Advances	6	130.27	10.23
	Other current assets	7	7733.82	1,774.12
		8	8.66	4.35
	Sub-total-CurrentAssets		8,251.78	1,788.69
	TOTAL-ASSETS		8,252.28	1,788.86
B	EQUITY AND LIABILITIES			
1	Equity			
	Equity Share capital	8	8131.99	1,490.00
	Other equity	9	(337.20)	(85.70)
	Sub-total-Shareholders' funds		7,794.79	1,404.30
	LIABILITIES			
2	Non-current liabilities			
	Deffered Tax Liabilites			-
	Sub-total-Non-current liabilities		-	-
3	Current liabilities			
	Financial liabilities	10	-	310.42
	Short term borrowings	11	252.80	73.41
	Sundry Creditors	12	200.48	-
	Provisions	13	4.17	0.57
	Sub-total-Current liabilities		457.46	384.40
	TOTAL-EQUITY AND LIABILITIES		8,252.25	1,788.70

MS.BMGS&ASSOCIATES.
Chartered Accountants
FRN.026886N

Vaibhav Bajaj, FCA

For and on behalf of
SYLPH TECHNOLOGIES LIMITED

(Partner)
(M.No.520512)

Date:16-05-2024
Place:Indore

Archana Gulia
Director
DIN:09816488

PRANAY VAID
Managing Director
DIN:09816710

SYLPH TECHNOLOGIES LIMITED			
CIN-L36100MP1992PLC007102			
Audited Standalone Profit and Loss Account for Year Ended 31, March 2024			
(All in figures in INR lakhs, Unless otherwise stated)			
Particulars	Note No.	Year Ended	Year Ended
		31.03.2024	31.03.2023
CONTINUING OPERATIONS			
I Revenue from operations	14	1,574.91	453.59
II Other income	15	41.09	92.07
III Total Income(I+II)		1,616.00	545.65
IV Expenses			
(a) Purchases of stock-in-trade	16	1,736.45	409.42
(b) Purchases of Financial Instrument(Options)		-	-
(c) Change in Inventory of finished goods, work- in-progress and stock-in-trade	4		
(d) Employee benefits expense		0.02	-
(e) Finance costs	17	1.91	4.46
(f) Depreciation and amortization expense	18	0.02	3.79
(g) Other expenses		-	-
	19	113.70	51.59
Total expenses		1,852.11	469.26
V Profit/(Loss)before tax(III-IV)		(236.11)	76.39
VI Exceptional Items/Extraordinary Items			-
VII Profit/(Loss) before tax		(236.11)	76.39
VIII Tax expense			
(a) CurrentTax		-	-
(b) Less:-Mat credit entitlement		-	-
(c) Deferred tax		15.40	-
(d) EarlierYear tax			
		15.40	-
IX Profit/(Loss)from continuing operations (VI-VII)		(251.50)	76.39
X Other Comprehensive Income/(Loss)			
Items that will not be reclassified to profit or loss:-Changes in fairvaluation of equity instruments.		-	(12.71)
XI Total Comprehensive Income/(Loss) for the period		(251.50)	63.67
XII Paid Up Share Capital		8,131.99	1,490.00
XII Earnings per share(FV Rupee1.00PerShare)	20		
(a)Basic per share		(0.031)	0.043
(b)Diluted per share		(0.031)	0.043

MS.BMGS & ASSOCIATES
Chartered Accountants
FRN.026886N

For and on behalf of the board of directors
SYLPH TECHNOLOGIES LIMITED

Date: 16th May 2024
Place: Indore

Archana Gulia
DIN: 09816488
DIRECTOR

Pranay Vaid
Managing Director
DIN: 09816710

SYLPHTECHNOLOGIES LIMITED			
CIN-L36100MP1992PLC007102			
Cash Flow Statement for the Period Ended 31st March 2024			
(All in figures in INR lakhs, Unless otherwise stated)			
	Particulars	For the Period ended 31st March, 2024	For the Period ended 31st March, 2023
A	Cash flow from Operating Activities		
	Profit/(Loss) from continuing operations	(251.50)	76.39
	Adjustment for:		
	Income Tax Expenses	15.40	-
	Interest Income	41.09	(85.14)
	Dividend Income		(1.37)
	Profit on sale of shares	179.80	(4.19)
	Various assets w/o		-
	Operative Profit before change in assets & liabilities:	(15.21)	(14.31)
	Increase/(Decrease) in Financial Liabilities	(310.42)	310.42
	Increase/(Decrease) in Short Term Borrowings	179.40	(84.26)
	Increase/(Decrease) in Creditors	200.48	-
	Increase/(Decrease) in Short Term Provisions	3.60	(3.53)
	Increase/(Decrease) in Other Current Liabilities	-	-
	(Increase)/Decrease in Inventories	(0.02)	-
	(Increase)/Decrease in Trade Receivable	(379.01)	-
	(Increase)/Decrease in Short Term loan & advances	(5,959.70)	(657.43)
	(Increase)/Decrease in Other Current Assets	(4.32)	(3.45)
	Cash Flow	(6,285.19)	(452.56)
	Tax paid during the year	15.40	-
	Net Cash from Operating Activities(A)	(6,300.59)	(452.56)
B	Cash Flow From Investing Activities		
	(Increase)/Decrease in Investments	-	159.88
	Dividend Income	-	1.37
	Interest Income	(41.09)	85.14
	Profit on sale of Shares	(179.80)	4.19
	Purchase of Fixed asset	(0.50)	
		-	-
	Net Cash from Investing Activities(B)	(221.40)	250.57
C	Cash Flows from Financing Activities		
	From Issue of Share Warrant	5,801.16	-
	From Issue of fresh equity	840.83	-
	Net Cash Flow from Financing Activities(C)	6,641.99	-
	Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	120.00	(201.99)
	Add:- Cash & Cash Equivalent as at 31st March 2023	10.23	212.23
	Cash & Cash Equivalent as at 31st March 2024	130.22	10.23
	Bifurcation of Funds		
	Cash In Hand	10.11	10.19
	Bank Balances	120.16	0.04
	Total	130.27	10.23

For and on behalf of
MS. BMGS & Associates
Chartered Accountants
FRN.026886N

Date : 16th May 2024 Place :
Indore

For and on behalf of the board of directors
SYLPH TECHNOLOGIES LIMITED

ArchanaGulia
DIN:09816488
DIRECTOR

PranayVaid
ManagingDirector
DIN : 09816710

SYLPH TECHNOLOGIES LIMITED
CIN-L36100MP1992PLC007102

Statement of Changes In Equity as at March 31,2024

Equity Share Capital	2023-24	2022-23
Balance as at 1 st April	1,490	1,490
Changes in Equity Share Capital Due to prior period errors		-
Restated balance at the beginning of the current reporting period		-
Changes in Equity Share Capital During the current year	6641.99	-
Balance as at 31st March	8131.99	1,490

MS.BMGS&ASSOCIATES.

Chartered Accountants

FRN.026886N

Vaibhav Bajaj,FCA

(Partner)

(M.No.520512)

Date:16-05-2024

Place:Indore

Archana Gulia

Director

DIN:09816488

For and on behalf of

SYLPH TECHNOLOGIES LIMITED

PRANAY VAID

Managing Director

DIN:09816710

SYLPH TECHNOLOGIES LIMITED
CIN-L36100MP1992PLC007102

Notes forming part of financial Statements

Note	Particulars
1	Corporate information
	<p>Sylph Technologies Limited was incorporated on 14th May, 1992 under the Companies Act, 1956 and has its registered office at ST-4, Press House, 22 Press Complex, A.B Road, Indore (Madhya Pradesh)-452008. Company's shares are listed on Bombay Stock Exchange.</p> <p>Sylph is a software technology company in India, providing software development services & solutions. The Company has also engaged in the distribution of a 26 year old Newspaper. For the intention to enhancement, diversification and availing future opportunities company has started trading of Financial Instruments during the year company.</p>
2	Significant accounting policies:-
2.1	Statement of Compliance
	In accordance with the notification issued by the Ministry of Corporate Affairs (MCA), the company has adopted Indian Accounting Standards (referred to as "IND AS") notified under the companies (Indian Accounting Standards) Rules 2015 as amended by (Indian Accounting Standards Amendment) Rules 2017 with effect from 1st April 2017. Previous period numbers in the financial statements have been restated to Ind AS. These Financial Statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standard) Rules, 2015 as amended by Companies (Indian Accounting Standard) Rules, 2017 read with section 133 of the Companies Act, 2013.
2.2	Basis of accounting and preparation of financial statements
	<p>These financial statements are prepared on historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and service.</p> <p>Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The financial statements are presented in Indian Rupees (INR).</p>
2.3	Use of Estimates
	The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.
2.4	Cash Flow statement
	Cash flows are reported using the indirect method, whereby profit or (loss) and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
2.5	Property, plant and equipment

	<p>Property, plant and equipment are stated at acquisition cost less accumulated depreciation. The cost of Property, plant and equipment comprises its purchase price including duties and other non- refundable taxes or levies and any directly, attributable cost of bringing the asset to the working condition for its intended use. Depreciation on Property, plant and equipment is provided based on the useful life of the asset in the manner prescribed in Schedule II to the Companies Act, 2013. The company has estimated useful life of each class of assets based on the nature of assets, the operating condition of the asset, past history of replacement, anticipated technological changes etc. The company reviews useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. No fixed assets during the year and at the year end.</p>
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2.6	Cash and cash equivalents
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
2.7	Inventories
	Inventories are valued at cost or net realizable value, whichever is lower. Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition. Costs of Raw Materials and Packing Materials are determined on FIFO basis. There is no inventory at the year end.
2.8	Revenue recognition
	Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Other income recognized on accrual basis. Interest income is recognized on a time proportion basis taking in to account the amount outstanding and the rate applicable.
2.9	Taxes on income
	Tax expense comprises current and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying value of the assets and liabilities and their respective tax bases, unutilized business loss and depreciation carry forwards and tax credits .
2.10	Earnings per share
	Basic and diluted earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. The company did not have any dilutive securities in any of the periods presented.
2.11	Provisions, Contingent Liabilities and Contingent Assets
	Provisions involving substantial degree of estimation in measure ment are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements. Financial Assets are only disclosed where an inflow of economic benefits is probable and recognized if inflow of economic benefits is virtually certain.

2.12	Operating Cycle Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and Liabilities as current and non-current.
2.13	<p>Financial Instruments</p> <p>Recognition & Measurement</p> <p>a) Financial Assets Financial Assets are recognized when, and only when, the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial assets at initial recognition. When financial assets are recognized initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction cost. Transactions cost of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.</p> <p>b) Financial Liabilities Financial Liabilities are recognized when, and only when, the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial liabilities at initial recognition. When financial liabilities are recognized initially, they are measured at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction cost.</p> <p>Equity Instruments: The Company subsequently measures all equity investments (other than the investment in subsidiaries, joint ventures and associates which are measured at cost) at fair value. Where the Company has elected to present fair value gains and losses on equity investments in other comprehensive income ("FVTOCI"), there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in Statement of Profit and Loss as other income when the company's right to receive payment is established. At the date of transition to Ind AS, the company has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity investments that are not held for trading. When the equity investment is derecognized, the cumulative gain or loss recognized in other comprehensive income is reclassified from Other Comprehensive Income to Retained Earnings directly.</p> <p>Determination of Fair Value: The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial Recognition, the company determines the fair value of financial instruments that are quoted in the active markets using the quoted bid prices (financial assets held) or quoted as price (financial liabilities held). Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the group has chosen to designate these investments in equity instruments as at FVTOCI as the directors believes this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.</p>

Note	Description	GrossBlock			Depreciation				NetBlock	
		As at01.04.2023	Additions/Deducti ons	As at31.03.2024	As at01.04.2023	Fortheperiod	On sale/Adjustmen t	ToDate	As at31.03.2023	As at31.03.2024
3	Property,plant and equipment									
	Computers			-		-		-	-	-
	Electronic Goods			-		-		-	-	-
	Mercedes Car			-		-		-	-	-
	Refrigerator			-		-		-	-	-
	Mobile Phone			-		-		-	-	-
	UPS			-		-		-	-	-
	Laptop		0.33	0.33		-		-	-	0.33
	Total	-	0.33		-	-	-	-	-	0.33
	Previous Year									
	Other Intangible assets									
	Computer software		0.17	0.17		-		-	-	0.17
	Total	-	0.17		-	-	-	-	-	0.17
	Previous Year	-	-	-	-	-	-	-	-	-
	Total		0.50	0.50	-	-	-	-	-	0.50

Sylph Technologies Limited

Notes Forming Part Of Financial Statements

Note4	Inventory		
	Particulars	Asat31.03.2024	Asat31.03.2023
	Stock in Hand	0.02	-
	Add/(Less):Reversal during The year		-
	Total	0.02	-
Note5	Trade Receivables		
	Particulars	Asat31.03.2024	Asat31.03.2023
	Sundry Debtor	379.01	-
	Less:Considered Bad	-	-
	Total	379.01	-
Note6	Cash and Cash Equivalents		
	Particulars	Asat31.03.2024	Asat31.03.2023
	a)Cash in Hand	10.11	10.19
	b)Balances with Bank		-
	i)In Current Accounts	120.16	0.04
	ii)In Fixed deposit		-
	Total	130.27	10.23

Note7	Loans &Advances	As at 31.03.2024	As at 31.03.2023
	Current		
	Other loans and advances, unsecured considered good		-
	c)Balance with brokers in demat account		-
	d)Inter Corporate Loans & Advances	6250.24	785.22
	e)Trade Advance (Supplier)	1483.57	438.68
	f)Other Advances		550.21
	Total	7733.82	1774.12
Note8	Other Current Assets	Asat31.03.2024	
	Current		
	a)TDS Receivables	4.98	0.89
	b) GST receivable	3.45	3.45
	c) Rent Deposit	0.24	
	Total	8.66	4.35
Note9	Share Capital		
	Particulars	Asat31.03.2024	Asat31.03.2023
	(a)Authorised share capital 15000000(P.Y.15000000)EquitysharesofRs.10/- Each		1,500
	Total	-	1,500.00
	(b)Issued subscribed and fully paid up share capital		1,490.00
	14900000(PY.14900000)EquitySharesofRs.10/- Issued During The Year	1,490.00	
	Fully Paid	840.83	
	Partially Paid	5,801.16	
	Total	8,131.99	1,490.00
9.1	Terms/Rights attached to equity Shares		
	EquityShares:The company has one class of equity shares having par value of Rs.10 per share.Each shareholder is eligible for one vote per share held.In the event of liquidation,the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts,in proportion to their shareholding.		
9.2	Details of shares held by each shareholder holding more than 5% shares in the company		
	Class of shares/Name of shareholder	Asat31.03.2024	Asat31.03.2023

Equity Shares with Voting Rights:		
1. J.P. Bapna		37.00 24.83%
2. Ghanshyam Soni		37.00 24.83%
3. RajeshJain		14.49 9.73%
4. JayshriJain		21.31 14.30%
9.3 Details of Shareholding of Promoters at the beginning and at the end of the year		
1. RajeshJain(No.ofshares)		1,449,400
%ofTotalShares		9.73%
2. JayshriJain(No.ofshares)		2,130,674
%ofTotalShares		14.30%

Noteno.10 Other Equity					
Particulars	Securities Premium	Capital Reserve	Retained	Other Comprehensive	TotalOther
					-
Balance as at April1,2022	6.11	7.07	(96.62)	(65.92)	(149.37)
Profit/(Loss)on Sale of Shares				-	-
Gain/(Loss) on shares transferred from Other Comprehensive income			-	-	-
To Retained Earning	-	-			
Premium on shares issued during The year	-	-	-	-	-
Profit for the Year			76.39	(12.71)	63.67
Balance as at March 31,2023	6.11	7.07	(20.24)	(78.64)	(85.70)
Balance as at April1,2023	6.11	7.07	(20.24)	(78.64)	(85.69)
Profit/(Loss)on Sale of Shares				-	-
Gain/(Loss) on shares transferred from Other Comprehensive income			-	-	-
To Retained Earning	-	-			
Premium on shares issued during the year	-	-	-	-	-
Profit for the Year			(251.50)	-	(251.50)
BalanceasatMarch31,2024	6.11	7.07	(271.76)	(78.64)	(337.20)

Nature and purpose of other reserves Securities

Premium

Securities premium is used to record the premium on issue of shares. There serve will be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits/(loss) that a Company has earned to date, less any dividend so rother distributions paid to investors.

Note10 Financial Liabilities			
	Particulars	As at31.03.2024	As at31.03.2023
	Trade Payables	-	310.42
	Total	-	310.42
Note11 Short term Borrowing			
		As at31.03.2024	As at31.03.2023
	Secured		
	Loans from banks repayable on Demand		
	Bank Overdraft Account(Secured against Fixed Deposit)	-	-
	Un Secured		
	Other Parties	252.80	73.41
	Total	252.80	73.41
Note12 Sundry Creditors			
		As at31.03.2024	As at31.03.2023
	Creditors	200.48	-
	Total	200.48	-
Note13 Provisions			
	Particulars	As at31.03.2024	As at31.03.2023
	Current		
	Salary & Reimbursements	-	-
	Provision for Audit Fees	-	-
	Duties & Taxes	4.17	0.57
	Provision of Expenses	-	-
	Total	4.17	0.57
Note14 Revenue from Operations			
	Particulars	Year Ended March31, 2024	Year Ended March31, 2023
	Sale of Products(ReferNoteNo.14.1)	1,574.91	428.79
	Sale of Services(ReferNoteNo.14.2)	-	24.80
	Total	1,574.91	453.59
14.1	Sale of Products Comprises	1,574.91	428.79
	NewsPaper	-	-
	Sales	1,574.91	428.79
	Software sale	-	-
14.2	Sale of Service Comprises	-	24.80
	Job Work Charges	-	-
	Software Service & Coching Income	-	24.80
Note15 Other Income			
	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
	Other non-operating income:		
	Interest Income		
	Interest accrued on inter-corporate loans & advances (Net)	41.09	85.14
	Interest on IT Refund	-	-
	Interest Income on FDR	-	1.37
	Other Income		
	Dividend Received	-	1.37
	Profit on sale of Shares(ShortTerm)	-	0.27
	Profit on sale of Shares(LongTerm)	-	3.92
	Intraday Share trading profit	-	-
	Total	41.09	92.07

Note16 Purchase of Stock In Trade			
	Particulars	Year Ended March 31,	YearEndedMarch31,2024
			2023
	Purchases		
	Total	1,736.45	409.42

Note17 Employee Benefits Expenses			
	Particulars	Year Ended March 31,	YearEndedMarch31,2024
			2023
		1.91	4.46
	Total	1.91	4.46

Note18 Finance costs			
	Particulars	Year Ended March 31,	YearEndedMarch31,2024
	Interest on Bank Overdraft	-	3.79
	Bank Charges	0.02	
	Total	0.02	3.79

Note19 Other Expenses			
	Particulars	Year Ended March 31,	YearEndedMarch31,2024
			2023
	Travelling expenses		0.1570
	Advertisement	1.24	0.0062
	Bank Charges		-
	Website Miantenance	0.15	-
	D-Mat Charges	0.11	-
	Legal and professional charges (Including ROC Filling)	101.66	2.1242
	Electricity expenses		0.9846
	Payment to auditor		0.7080
	Listing charges	3.00	-
	Office expenses		3.7567
	Depository Expenses	3.75	-
	Printining and Stationary Expenses		0.1776
	LATE FEES	0.56	0.5428
	Rates & Taxes		0.4625
	Rounded off		0.0000
	Rent	1.36	2.5500
	Repair &Maintenaince Expenes		0.1499
	Loss on Index future and options trading(derivatives)\		39.947
	Miscellaneous Expenses	1.88	0.0200
	Total	113.70	51.59

Note 20 Earning Per Share			
	Particulars	YearEndedMarch31,	YearEndedMarch31,
		2024	2023
I.	Earnings attributable to Equity shareholders Weighted	(251.50)	76.39
II.	average number of equity shares Nominal Value of	8,131.99	149.00
III.	Equity Share	10.00	10.00
IV.	Basic Earning per Share(I/II)Diluted	(0.031)	0.513
V.	Earning per Share(I/II)	(0.031)	0.513

Note20. Related Party Disclosures			
	The company routinely enters into transactions with these related party in the ordinary course of business.		
I.	Description of Relation		Name of the
	A. Companies/Entities under the Control of Key Management Personnel		Sakshi Powertech LLP
	B.Key Management Personnel		1. Rajesh Jain 2. Jayshri Jain
II.	Details of transaction with Related Parties during the year		
	Nature of Transactions		Year Ended March 31,
			2023

	Loan From Key Management Persons		
(i)	Loan From Directors		-
	Loan Repaid		-
	Outstanding as at 31.03.2023		-
	Companies/Entities under the Control of Key Management Personnel		
(ii)	Loan Recived from Rajesh Jain HUF		-
	Loan Repaid to Rajesh Jain HUF		-
	Loan given Sakshi Powertech		-
	LLP ² Loan Repaid		-
	Outstanding as at 31.03.2023		272.46
			455.44

Note:

1. Represent transaction with Rajesh Jain, key managerial Persons.
2. Loan given to Sakshi Powertech LLP, Entity under control. (at they earend Sakshi Powertech LLP, ceased to be related party)

Note21	Other Statutory information
a	The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
b	There are no transactions and / or balance outstanding with companies struck off under section 248 of the Companies Act, 2013.
c	The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
d	The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
e	The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including for eighntities (Intermediaries) with the understanding that the Intermediary shall:
	i) directly or indirectly lend or invest in other persons or entities id entified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
	ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
f	The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
	i) directly or indirectly lend or investing other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
	ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
g	The Company does not any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
h	The company does not have any investments through more than two layers of investment companies as per section 2(87)(cd) and section 186 of Companies Act, 2013.
For and on behalf of SYLPH TECHNOLOGIES LIMITED	
MS.BMGS & Associates FRN:026886N	ArchanaGulia Director DIN:098164
VaibhavBajaj.FCA (M.No.520512) Date:16-05-2024 Place:Indore	PRANAYVAID Managing Director DIN:09816710

Note21	Other Statutory information
ab	The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
c	There are no transactions and / or balance outstanding with companies struck off under section 248 of the Companies Act, 2013.
d	The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
e	The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
	The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
	i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
f	ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
	The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
	i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
	ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
g	The Company does not have any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
h	The company does not have any investments through more than two layers of investment companies as per section 2(87)(cd) and section 186 of Companies Act, 2013.

Note 22 Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% Change	Reason for change of more than 25%
Current ratio (in times)	Total current assets	Total current liabilities	18.04	4.65	287.65%	Due to Issue of capital in Previous financial Year
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	N.A	N.A	NA	No Debt Outstanding
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	NA	2114%	NA	No Debt Outstanding
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	-3.23%	5.44%	8.67%	Due to Expense related to Issue of capital
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	NA	NA	NA	
Trade payables turnover ratio (in times)	Cost of equipment and software licences + Other expenses	Average trade payables	11.55%	75.82%	64.27%	Trade Payable policy changed
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	20.73%	38.86%	18.12%	Working Capital Increased due to Issue of Fresh Capital
Net profit ratio (in %)	Profit for the year	Revenue from operations	-15.56%	14.00%	29.56%	Due to Loss in Current Year
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	-16.73%	5.71%	22.44%	Due to Loss in Current Year

MS.BMGS & Associates
FRN:026886N

Vaibhav Bajaj, FCA
(M.No.520512)

Date: 16-05-2024
Place: Indore

For and on behalf of
SYLPH TECHNOLOGIES LIMITED

Archana Gulia PRANAY VAID
Director Managing Director
DIN:09816488 DIN:09816710

BMGS & ASSOCIATES
CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on Unaudited Quarterly Financial Results of SYLPH TECHNOLOGIES LIMITED Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

TO,
The Board of Directors
SYLPH TECHNOLOGIES LIMITED

Opinion

1. We have reviewed the accompanying Statement of Unaudited Financial Results of SYLPH TECHNOLOGIES LIMITED ("the Company") for the Quarter and Half Year ended September 30, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including relevant circulars issued by the Securities and Exchange Board of India.
2. This Statement, which is responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related interim condensed financial statements which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under the Section 133 of the Companies Act 2013("the Act") and other accounting principles generally accepted in India and is in compliance with presentation and disclosure requirements of Regulation 33 of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by the Securities and Exchange Board of India. Our responsibility is to issue a conclusion on the Statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standard on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.


We also performed procedures in accordance with the SEBI circular CIR/CFD/CMD1/44/2019 DATED 29 March 2019 issued by SEBI under Regulation

33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.



For BMGS & Associate
Chartered Accountants
Firm Reg. No 026886N


Vaibhav Bajaj, FCA
M. No. 520512
Partner

Place: New Delhi
Date: 13/11/2024

UDIN: 24520512BKBEXH2993

SYLPH TECHNOLOGIES LIMITED			
CIN-L36100MP1992PLC007102			
Statement of Assets and Liabilities as at 30 September 2024			
(All in figures in INR lakhs, Unless otherwise stated)			
	Particulars	As at September 30 2024	As at March 31, 2024
A	ASSETS		
	1 Non-current assets		
	Property, plant and equipment	0.46	0.50
	Capital work-in-progress		
	Other intangible assets		
	Investments in subsidiaries, associates and joint ventures		
	Financial assets		
	Investments	575.00	
	Loans & Advances		
	Other financial assets		
	Deferred tax assets (net)		
	Sub-total - Non-Current Assets	575.46	0.50
	2 Current assets		
	Inventories	0.02	0.02
Financial assets			
Trade receivables	1670.63	379.01	
Cash and cash equivalents	251.26	130.27	
Loans & Advances	6576.18	7733.82	
Other current assets	7.86	8.66	
Sub-total - Current Assets	8,505.94	8,251.78	
	TOTAL - ASSETS	9,081.40	8,252.28
B	EQUITY AND LIABILITIES		
	1 Equity		
	Equity Share capital	8575.13	8131.99
	Other equity	(287.95)	(337.16)
	Sub-total - Shareholders' funds	8,287.18	7,794.82
	LIABILITIES		
	2 Non-current liabilities		
	Deferred Tax Liabilities		
	Sub-total - Non-current liabilities	-	-
	3 Current liabilities		
	Financial liabilities		
Short term borrowings	747.80	252.80	
Creditors	18.50	200.48	
Provisions	27.93	4.17	
Sub-total - Current liabilities	794.23	457.46	
	TOTAL - EQUITY AND LIABILITIES	9,081.40	8,252.28

For and on behalf of the board of directors

Pranay Vaid
 Digitally signed by
 Pranay Vaid
 Date: 2024.11.13
 09:58:15 +05:30
 Pranay Vaid
 Managing Director
 DIN : 09816710

Date : 13th November 2024
 Place : Indore

SYLPH TECHNOLOGIES LIMITED						
CIN-L36100MP1992PLC007102						
Unaudited Standalone Financial Results for the Quarter Ended 30, Sept 2024						
(All in figures in INR lakhs, Unless otherwise stated)						
Particulars	Quarter Ended			Half Year Ended		Year Ended
	Unaudited			Unaudited		Audited
	30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
CONTINUING OPERATIONS						
I Revenue from operations	-	-	134.09	-	180.97	1,574.31
II Other income	-	75.00	10.82	75.00	21.09	43.09
III Total Income (I+II)	-	75.00	144.88	75.00	208.06	1,616.00
IV Expenses						
(a) Purchases of stock-in-trade			132.67	-	184.86	1,736.45
(b) Purchases of Financial Instrument (Options)			-	-	-	-
(c) Change in inventory of finished goods, work-in-progress and stock-in-trade			-	-	-	(0.02)
(d) Employee benefits expense	1.05	2.35	-	3.40	0.31	1.91
(e) Finance costs	-	0.01	-	0.01	-	0.02
(f) Depreciation and amortisation expense	0.04	-	-	0.04	-	-
(g) Other expenses	2.54	2.51	5.30	5.05	14.14	113.70
Total expenses	3.63	4.86	137.97	8.49	199.22	1,852.06
V Profit / (Loss) before tax (III-IV)	(3.63)	70.14	6.91	66.51	8.84	(236.06)
VI Exceptional Items/Extra ordinary Items						
VII Profit / (Loss) before tax	(3.63)	70.14	6.91	66.51	8.84	(236.06)
VIII Tax expense						
(a) Current Tax	(0.94)	18.24	2.80	17.29	2.30	-
(b) Less :- Mat credit entitlement	-	-	-	-	-	-
(c) Deferred tax	-	-	-	-	-	-
(d) Earlier Year tax	-	-	-	-	-	15.40
	(0.94)	18.24	2.80	17.29	2.30	15.40
IX Profit/(Loss) from continuing operations (VI-VII)	(2.68)	51.90	4.11	49.22	6.54	(251.46)
X Other Comprehensive Income/ (Loss)						
Items that will not be reclassified to profit or loss- Changes in fair valuation of equity instruments.						
XI Total Comprehensive Income/ (Loss) for the period	(2.68)	51.90	4.11	49.22	6.54	(251.46)
XII Paid Up Share Capital	8,575.99	8,575.99	1,490.00	8,575.99	1,490.00	8,132.99
XIII Earnings per share (FV Rupee 1.00 Per Share)						
(a) Basic per share	(0.0003)	0.006	0.003	0.006	0.004	(0.031)
(b) Diluted per share	(0.0003)	0.006	0.003	0.006	0.004	(0.031)

Accompanying Notes are an integral part of these Financial Statement

Notes:

- The above Unaudited Financial Results for the quarter ended Sept 30, 2024 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 13 2024. The Statutory Auditors of the Company have carried out the limited review of these Results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company has adopted Indian Accounting Standards (Ind AS) from April 1, 2017 and accordingly these financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- Previous quarter's figures have been re-grouped and re-arranged wherever necessary.

For and on behalf of the board of directors

Date : 13 November 2024
Place : Indore

Pranay Vaid Digitally signed by Pranay Vaid Date: 2024.11.13 10:58:50 +05'30'
Pranay Vaid **Managing Director**
DIN : 09816710

SYLPH TECHNOLOGIES LIMITED			
CIN-L36100MP1992PLC007102			
Cash Flow Statement for the Period Ended 30 Sept 2024			
(All in figures in INR lakhs, Unless otherwise stated)			
	Particulars	For the Period ended 30 September, 2024	For the Period ended 31st March, 2024
A	Cash flow from Operating Activities		
	Profit/(Loss) from continuing operations	49.22	(251.46)
	Adjustment for :		
	Depreciation	0.04	
	Income Tax Expenses	17.29	15.40
	Interest Income		41.09
	Dividend Income		
	Profit on sale of shares		179.80
	Verious assets w/o		
	Operative Profit before change in assets & liabilities:	66.54	(15.16)
	Increase/(Decrease) in Financial Liabilities	-	(310.42)
	Increase/(Decrease) in Short Term Borrowings	495.00	179.40
	Increase/(Decrease) in Creditors	(181.99)	200.48
	Increase/(Decrease) in Short Term Provisions	23.75	3.60
	Increase/(Decrease) in Other Current Liabilities	-	-
	(Increase)/Decrease in Inventories	-	(0.02)
	(Increase)/Decrease in Trade receivable	(1,291.61)	(379.01)
	(Increase)/Decrease in Short Term loan & advances	1,157.63	(5,959.70)
	(Increase)/Decrease in Other Current Assets	0.80	(4.32)
	Cash Flow	270.13	(6,285.15)
	Tax paid during the year	17.29	15.40
	Net Cash from Operating Activities (A)	252.84	(6,300.55)
B	Cash Flow From Investing Activities		
	(Increase)/Decrease in Investments	(575.00)	-
	Dividend Income	-	-
	Interest Income	-	(41.09)
	Profit on sale of Shares	-	(179.80)
	Purchase of Fixed asset	-	(0.50)
		-	-
	Net Cash from Investing Activities (B)	(575.00)	(221.40)
C	Cash Flows from Financing Activities		
	From Issue of Share Warrant		5,801.16
	From Issue of fresh equity	443.14	840.83
	Net Cash Flow from Financing Activities (C)	443.14	6,641.99
	Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	120.98	120.04
	Add:- Cash & Cash Equivalent as at 31st March 2024	130.27	10.23
	Cash & Cash Equivalent as at 30 Sept 2024	251.25	130.27
	Bifurcation of Funds		
	Cash In Hand	10.11	10.11
	Bank Balances	241.15	120.16
	Total	251.25	130.27
For and on behalf of the board of directors			
		Pranay Vaid	Digitally signed by Pranay Vaid Date: 2024.11.23 10:08:52 +05'30'
Date : 13th Nov 2024			Pranay Vaid
Place : Indore			Managing Director
			DIN : 09816710

ACCOUNTING RATIOS

The following tables present certain accounting and other ratios compared on the basis of the Audited Financial Information. For details, see “Financial Statements” on page 74

Accounting Ratios:

Particulars	Based on Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Basic earnings per share (₹) (for continued operations)	(0.031)	0.043	0.224
Diluted earnings per share (₹) (for continued operations)	(0.031)	0.043	0.224
Return on Net Worth (%)	(3.20)	4.50	4.10
Net Asset Value per Equity Share (₹)	51.96	93.62	89.37
EBITDA (₹ in lakhs)	(236.1)	63.67	60.74

The formula used in the computation of the above ratios is as follows:

Basic earnings per share	Net profit /(Loss) after Tax as per statement of profit and loss at to Equity Shareholders (after adjusting non controlling interest) after exceptional item ,as applicable/ weighted Average number of Equity Shares.
Diluted earnings per share	Net Profit/(Loss) after Tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) after exceptional item, as applicable/Weighted Average number of Equity Shares (including convertible securities).
Return on net worth (in %).	Profit/(Profit/(Loss) for the Year as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/Net worth at the end of the year on basis.
Net Worth as per 2(1)(hh) SEBI (ICDR) Regulations, 2018:	Net worth means the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write -back of depreciation, and amalgamation.
Net asset value per Equity Share	Net Worth on consolidated basis divided by the number of Equity Shares outstanding for the year.
EBITDA	Profit/(Loss) for the year before finance costs, tax, depreciation, amortization, and exceptional items as presented in the Consolidated Statement of Profit and Loss

Calculation of Return ofNetWorth

(In₹lakhs, unless otherwise specified)

Particulars	Based on Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Net Profit after Tax (before OCI) (A)	(251.50)	63.67	54.58
Net Worth (B)*	7794.79	1404.30	1340.63
Return of Net Worth (A/B) (%)	(3.20)	4.50	4.10

* Net Worth as per 2(1)(hh) of SEBI (ICDR) Regulations, 2018.

Calculation of Net asset value per Equity Share

(In ₹/In ₹ lakhs, unless otherwise specified)

Particulars	Based on Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Net Worth (A)(₹ in lakhs)	7794.79	1404.30	1340.63
No. of Shares(B)(in numbers)	1,50,00,000	1,50,00,000	1,50,00,000
Net Assets Value[(Ax100,000)/B]	51.96	93.62	89.37

Calculation of EBITDA

(In ₹lakhs,unless otherwise specified)

Particulars	Based on Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Net Profit/(Loss)after Tax	(251.50)	63.67	54.58
Add: Taxes	15.40	-	6.16
Add: Interest	-	-	-
Add: Depreciation	-	-	-
Add: Exceptional Items	-	-	-
EBITDA	(236.1)	63.67	60.74

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Audited Financial Statements as of and for the year ended March 31, 2024 all prepared in accordance with the Companies Act and Ind AS, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "Financial Statements" on page 74 of this Draft Letter of Offer. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements of our Company.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward Looking Statements" on pages 23 and 19 respectively, of this Draft Letter of Offer.

Our financial year ends on March 31 of each year, so all references to a particular "Financial year" and "Fiscal" are to the twelve (12) month period ended March 31 of that financial year. References to the "Company", "we", "us" and "our" in this chapter refer to SYLPH TECHNOLOGIES LIMITED, as applicable in the relevant period, unless otherwise stated. Unless otherwise indicated or the context requires, the financial information for Financial Year 2024 included in this Draft Letter of Offer. For further information, see "Financial Statements" beginning on page 74.

OVERVIEW OF OUR BUSINESS

India is among the top countries globally in the field of scientific research, positioned as one of the top five nations in the field of space exploration. The country has regularly undertaken space missions, including missions to the moon and the famed Polar Satellite Launch Vehicle (PSLV). India is likely to take a leading role in launching satellites for the SAARC nations, generating revenue by offering its space facilities for use to other countries.

Spending in the Indian information technology (IT) sector is projected to reach US\$ 138.9 billion in 2024, compared to US\$ 122.6 billion last year, with a double-digit growth rate of 13.2%. The engineering R&D and product development market in India is forecast to post a CAGR of 12% to reach US\$ 63 billion by 2025, from US\$ 31 billion in 2019. As per the Economic Survey 2022, India's gross domestic expenditure on R&D (GERD) as a percentage of GDP stood at 0.66%.

SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATION

Our business, financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled 'Risk Factors' on page 23 The following are certain factors that had, and we expect will continue to have, a significant effect on our business, financial condition and results of operations:

- Increasing competition in the Industry;
- Ability to comply with the quality requirement of customers as well as regulatory authorities;
- Changes in government regulations, tax regimes, laws and regulations that apply to the industry;
- Changes in fiscal, economic or political conditions in India;
- Changes in the foreign exchange control regulations, interest rates and tax laws in India.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details of our significant accounting policies, please refer chapter titled "Financial Statements" on page 74 of this Draft Letter of Offer

CHANGE IN ACCOUNTING POLICIES

There has been no change in accounting policies during the Financial Year 2024

RESERVATIONS, QUALIFICATION AND ADVERSE REMARK /OTHER OBSERVATION IN CARO

The following is the summary of qualifications/reservations/emphasis of matters/adverse remarks/other observations in CARO (as applicable) in the Audited Financial Statements for the Financial Year 2023-2024

Period	Type of Financials	Qualifications/ Reservations/ Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
Financial	Standalone	<u>Qualifications/Reservations/Adverse Remarks:</u>

Year		<p>NIL</p> <p><u>Matter of Emphasis:</u></p> <p>NIL</p> <p>Other Observations in CARO:</p> <p>vii. In respect of statutory dues:</p> <p>(b) No other statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.</p>
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Particulars	CURRENT PERIOD F.Y 2023-2024 Amount in Rupees	PREVIOUS YEAR F.Y 2022-2023 Amount in Rupees	PREVIOUS YEAR F.Y 2021- 2022 Amount in Rupees	PREVIOUS YEAR F.Y 2020-2021 Amount in Rupees
INCOME				
I Revenue from Operation	15,74,91,000	45,35,9000	23,44,000	20,44,000
II Other income	4,10,9000	9,20,7000	9032000	10,31,000
III. Total Revenue(I+II)	1,61,00,000	5,45,65,000	11376000	30,75,000
IV EXPENSES				
Material Purchase	17,36,45,000	4,09,42,000	4,32,000	4,60,000
Purchase of Financial Instrument	0.00	0.00	0.00	3,01,000
Increase /Decrease in Stock in	2,000	0.00	0.00	0.0
Employees Benefit Expenses	1,91,000	4,46,000	18,28,000	8,11,000
Finance Costs	2,000	3,79,000	4,21,000	0.00
Other expenses	11,13,70,000	51,59,000	47,45,000	13,30,000
Depreciation	0.00	0.00	0.00	0.00
Total Expenses	18,52,11,000	4,69,26,000	74,26,000	29,02,000

V. PROFIT before exceptional and extraordinary items and tax (III-IV)	(23611000)	76,39,000	39,49,000	1,73,000
VI. Profit after extraordinary items and tax(V)	(23611000)	76,39,000	39,49,000	1,73,000
VII .Profit before tax	(23611000)	76,39,000	39,49,000	1,73,000
VIII Tax Expenses				
1)Current Tax	0.00	0.00	6,16,000	0.00
2) Deferred Tax	0.00	0.00	0.00	24,000
Less Adjustment of earlier year	15,40,000	-	-	-
IX. Profit (loss) for the period from continuing operation	(2,51,50,000)	76,39,000	33,34,000	1,96,000
X. Profit (loss)for the Discontinuing operations(after tax)	-	-	-	-
XI. Basic and diluted EPS	0.031	0.043	0.024	0.013

Results of our Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated

Financial Year 2024 compared to Financial Year 2023

Financial Year 2023 compared to Financial Year 2022

Total Revenue

Our total revenue for the Financial Year 2024 was Rs.15,74,91,000/- as compared to ₹4,53,59,000/- for the Financial Year 2023.

Our total revenue for the Financial Year 2022 was Rs. 5,45,65,000/- as compared to Rs. 4,53,59,000/- for the financial year and quarter ended 2023

Revenue from Operations

Our revenue from operations for the Financial Year 2024 was Rs. 15,74,91,000/- as compared to Rs. 4,53,59,000/- for the Financial Year 2023.

Our revenue from operation the Financial Year 2022 was Rs. 23,44,000/- as compared to Rs.4,53,59,000/-for the financial year and quarter ended 2023

Other income

Other income for the Financial Year 2024 was Rs. 41,09,000/- as compared to Rs. 92,07,000/- for the Financial Year 2023,.

Other income for the Financial Year 2022 90,32,000 was Rs. /- as compared to Rs92,07,000/- for the financial year and quarter ended 2023

Expenses

Our total expenditure for the Financial Year 2024 was Rs.18,52,11,000/- as compared to Rs. 4,69,26,000/- for the Financial Year 2023.

Our total expenditure for Financial Year 2022 was Rs. 74,26,000/- as compared to Rs. 4,69,26,000/- for the Financial year and quarter ended 2023

Material Purchase

The Material Purchase for the Financial Year 2024 was Rs. 17,36,45,000/- as compared to Rs 4,09,42,000/- for the Financial Year 2023. There was decrease in volume of material purchase.

The Material Purchase for the Financial Year 2022 was Rs 4,32,000 /- as compared to Rs. 4,09,42,000/- for the Financial year and quarter ended 2023. There was increase in volume of material purchase.

Employee benefit expenses

Employee benefit expense for the Financial Year 2024 was Rs1,91,000/- as compared to Rs 4,46,000/- for the Financial Year 2023. This decrease was primarily increase in Employee benefit expenses.

Employee benefit expenses for the Financial Year 2022 was Rs.18,28,000/- as compared to Rs.4,46,000/- for the Financial year and quarter ended 2023.

Other expenses

Other expenses for the Financial Year 2024 were ₹ 1,13,70,000/- as compared to ₹ 51,59,000/- for the Financial Year 2023.

Other expenses for the quarter Financial Year 2022 was Rs. 47,45,000/- as compared to Rs. 51,59,000/- for the Financial year and quarter ended 2023

Profit/(loss) before exceptional and extraordinary items and tax share.

Profit/(loss) before exceptional and extraordinary items and tax share for the Financial Year 2024 was Rs (2,36,11,000) as compared to Rs 76,39,000 for the Financial Year 2023.

Profit/(loss) before exceptional and extraordinary items and tax share for the Financial Year 2022 was Rs 4,69,26,000, as compared to Rs 39,49,000 for the Financial year and quarter ended 2023.

Profit after extraordinary items and tax

Profit after extraordinary items and tax for the Financial Year 2024 was Rs 2,51,50,000/- as compared to Rs. 76,39,000/- for the Financial Year 2023. This increase in profit was due to profit .

Profit after extraordinary items and tax for the Financial Year 2022 was Rs 54,58,000/- as compared to Rs. 76,39,000/- for the Financial year and quarter ended 2023

Profit/(loss) before Tax

The profit/(loss) before tax for the Financial Year 2024 was Rs.34,23,835 /- as compared to Rs25,32,206/- for the Financial Year 2023.

The profit/(loss) before tax for the Financial Year 2022 was Rs 76,39,000 /- as compared to Rs25,32,206 /- for the Financial year and quarter ended 2023

Tax expenses

The Tax Expenses for the Financial Year 2024 was Rs.0.00/- as compared to Rs.0.00/- for the Financial year and quarter ended 2023

The profit/(loss) before tax for the Financial Year 2022 was Rs 6,16,000/- as compared to Rs. 0.00/- for the Financial year and quarter ended 2023

Unusual or Infrequent Events or Transactions

Other than as described in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as “unusual” or “infrequent”.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Draft Letter of Offer, particularly in chapter titled “Risk Factors” on page 23 , to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Related Party Transactions

For details, please refer to the chapter titled “*Financial Statements*” beginning on page 74 of this Draft Letter of Offer.

Significant developments after March 31, 2024, that may affect our future results of operations

Other than as disclosed in this Draft Letter of Offer, there have been no significant developments after March 31, 2024, that may affect our future results of operations.

MATERIAL DEVELOPMENTS

Except as stated elsewhere in this Draft Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2024, which materially or adversely affect or are likely to affect, within the next 12 months, our operations, performance, prospects or profitability, or the value of our assets or our ability to pay our liabilities.

Appointment, Re-appointment, Regularization and Resignation of Directors and Key Managerial Personnel:

On 19th June 2024 –

1. Mr. Priyesh Balkrishna Shah(DIN: 09561151)appointed as Non-Executive Independent Director.
2. Mrs.Ami Sapanbhai Cyclewala (DIN: 09561765)appointed as Non-Executive Independent Director

Appointment of Statutory Auditor:

On 30th September 2024 appointed the M/S. Milind C. Shah., Chartered Accountant, statutory auditor for a term of five year.

Increase in authorized capital of the Company :

- Authorised Share Capital of the Company Increased from Rs. 6,0000,000/- (Rupees Six Crores Only) divided into 60,00,000/- (Sixty Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 15,00,00,000/- (Rs. Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each vide Special Resolution passed at the Annual General Meeting held on 5th October, 2009
- The Authorised Share Capital of the Company changes from Rs. 15,00,00,000/- (Rs. Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares ofRs. 10/- (Rupees Ten Only) each to Rs. 15,00,00,000/- (Rupees Fifteen CroresOnly) divided into 15,00,00,000/- (Fifteen Crores) Equity Shares of Rs. 1/- (Rupees One Only) each vide Special Resolution dated 21st April, 2023 passed through postal ballot.

- The Authorised Share Capital of the Company increased from Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 15,00,00,000 (Fifteen Crores) Equity Shares having face value of Re.1/- each to Rs. 100,00,00,000 (Rupees One Hundred Crores Only) divided into Rs. 100,00,00,000 (One Hundred Crores Only) Equity Shares of face value Re. 1/- each.vide Special Resolution dated September 15, 2023 passed through postal ballot.

SECTION VI- LEGAL AND OTHER INFORMATION

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial, or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.

The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer "Government and Other Approvals" on page 123. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts, and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.

Following is an overview of some of the important laws and regulations, which are relevant to our business.

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 there under.

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

SEBI REGULATIONS

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

TAX RELATED REGULATIONS

Income Tax Act, 1961

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

Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Government 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.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

LAWS RELATED TO FOREIGN TRADE:

Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder

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

% FDI is permitted in under the automatic route in the IT sector.

The Foreign Trade (Development and Regulation) Act, 1992 (“FTA”) and the rules framed thereunder:

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce a foreign trade policy and also amend the same from time to time, by notification in the Official Gazette;

(iv) is authorized to appoint a 'Director General of Foreign Trade' for the purposes of the FTA, including formulation and implementation of the foreign trade policy.

Imports and exports are permitted by persons who hold an “Importer-exporter code number” (“IEC”) unless specifically exempted. All imports and exports must be carried out in accordance with the applicable laws issued by the Central Government, from time to time. In the event of any contravention of the laws relating to central excise or customs or foreign exchange or any other economic offence under any other law for the time being in force as may be specified by the Central Government by notification in the Official Gazette, or if an export or import has been carried out in a manner gravely prejudicial to the trade relations of India with any foreign country, or to the interests of other persons engaged in imports or exports, or has brought disrepute to the credit of the goods of or services or technology from the country, these instances may result in the suspension and cancellation of the IEC number.

Foreign Trade Policy 2015-2020:

FTP 2015-20 provides a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in line with the ‘Make in India’ programme. It introduces two new schemes, namely ‘Merchandise Exports from India Scheme (MEIS)’ for export of specified goods to specified markets and ‘Services Exports from India Scheme (SEIS)’ for increasing exports of notified services. In view of the unprecedented current situation arising out of the pandemic Novel COVID-19 and to provide continuity in the policy regime, the FTP2015-2020, valid till 31.03.2022 has been further extended till 30.09.2022 with similar extensions made in the related procedures.

IMPORTANT GENERAL LAWS:**Registration Act, 1908**

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

Competition Act, 2002

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act, 2002. The provisions of the Competition Act relating to combinations were notified on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

Negotiable Instruments Act, 1881 (“NI Act”)

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

The Indian Stamp Act, 1899 (“Stamp Act”)

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

Consumer Protection Act, 2019

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

The Consumer Protection Act, 1986(COPRA)

COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels.

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

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

The Indian Contract Act, 1872

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

Shops and Establishments Laws in Various States

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

The Information Technology Act, 2000 (IT Act)

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) as amended is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. It is based on the United Nations Model Law on Electronic Commerce 1996 (UNCITRAL Model) recommended by the General Assembly of United Nations by a resolution dated 30 January 1997. The Act provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "electronic commerce", which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Bankers' Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto. A major amendment was made in 2008. It introduced the Section 66A which penalised sending of "offensive messages". It also introduced the Section 69, which gave authorities the power of "interception or monitoring or decryption of any information through any computer resource". It also introduced penalties for child porn, cyber terrorism and voyeurism.

The Personal Data Protection Bill, 2019 ("Bill")

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

National Digital Communications Policy 2018

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

Data Center Policy, 2020

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

LAWS RELATED TO EMPLOYMENT OF MANPOWER:**The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter- State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. 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.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)

This Act has provisions to ensure that the contract labour is not misused and the rights of workers employed on contract basis are protected. The Act does not ban contract labour altogether, but puts certain restrictions on it and prohibits it under certain circumstances. The labour Law allows hiring fixed term contract workers for tasks of permanent nature. There is no maximum length of fixed term contracts provided under the labour laws.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever,

is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the above mentioned schemes.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed ` 1 million.

Labour Laws

Depending upon the nature of the activities undertaken by our Company, certain applicable labour laws and regulation include the following:

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986, ("CLPRA Act") provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourer. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer. Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 ("ISMW Act")

The ISMW Act regulates the employment of inter-state migrant workmen and provides for their conditions of services and for matter connected therewith. Under the provisions of the ISMW Act, every principal employer of an establishment which employs five or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding 12 months has to register his establishment under ISMW Act. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed. Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to two years or with fine which may extend to ` 2,000 or with both

Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWPPR Act") aims to provide women protection against sexual harassment at the workplace and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines 'sexual harassment' to include any unwelcome acts or a sexually determined behaviour (inter alia whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organisations, non-governmental organisations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an 'internal complaints committee' at each office or branch, of an organization employing at least 10 employees. Factors like mental trauma, medical expenses, loss in the career opportunity and income shall be considered while determining compensation. The duties of the employer and the district officer are provided in the SHWPPR Act.

The Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961, as amended (“Maternity Benefit Act”) on 1st April 2017 regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. However, the relevant provision on the “work from home” option will come into effect from 1st July 2017. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks, of which not more than eight weeks shall precede the date of her expected delivery. For women who are expecting after having 2 children, the duration of paid maternity leave shall be 12 weeks (i.e., 6 weeks pre and 6 weeks post expected date of delivery). It also provides that every woman who adopts a child shall be entitled to 12 weeks of maternity leave, from the date of adoption. The MB Amendment Act has also introduced an enabling provision relating to “work from home” for women, which may be exercised after the expiry of the 26 weeks’ leave period depending on nature of work. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy. The MB Amendment Act makes crèche facility mandatory for every establishment employing 50 or more employees. Women employees would be permitted to visit the crèche 4 times during the day.

The Minimum Wages Act, 1948

Under the Minimum Wages Act, 1948 (“Minimum Wages Act”) every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including outworkers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

Other Laws and Regulations

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations. Our Company is also amenable to various central and state tax laws.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the section titled ‘*Government and Other Approvals*’ beginning on 107, of this Draft Letter of Offer.

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

, there are no outstanding litigations involving our Company and our Subsidiaries/associates whose financial statements are included in the draft letter of offer, either separately or in a consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'material';
- For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended,

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

LITIGATION INVOLVING OUR COMPANY

1) Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Draft Letter of Offer, a penalty has been imposed by the Registrar of Companies of Rs. 5,00,000 against our Company for Non Appointment of Chief Executive officer.

2) Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

As on date of this Draft Letter of Offer, there are no direct tax liabilities against our Company.

(ii) Indirect Taxes Liabilities

As on date of this Draft Letter of Offer, there are indirect tax liabilities against our Company.

3) Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

As on date of this Draft Letter of Offer, there are no issues of moral turpitude or criminal liability on the part of our Company.

4) Proceedings involving Material Violations of Statutory Regulations by our Company

As on date of this Draft Letter of Offer, there are proceedings involving Material Violations of Statutory Regulations by our Company.

5) Matters involving economic offences where proceedings have been initiated against our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company;

6) Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

As on date of this Draft Letter of Offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;

LITIGATION INVOLVING OUR DIRECTORS PROMOTERS AND PROMOTER GROUP

Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Draft Letter of Offer, there are no subsisting litigations involving actions by statutory/ regulatory authorities filed by or against our directors ~~promoters, and promoter group~~;

LITIGATION INVOLVING OUR SUBSIDIARY

Litigation involving our Subsidiary

As on date of this Draft Letter of Offer, no subsidiary of Our Company hence there are no subsisting litigations filed by or against our Subsidiary;

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR MARCH 31,2024

Except as mentioned in this Draft Letter of Offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Draft Letter of Offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months to our knowledge.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

I. Incorporation details

- Certificate of incorporation dated May 14, 1992 issued to Sylph Technologies Limited by the Registrar of Companies, Gwalior.
- The Corporate Identity Number (CIN) of our Company is L36100MP1992PLC007102 .

II. Approvals in relation the Issue

- The Board of Directors have, pursuant to Section 62(1)(a) of the Companies Act 2013, by a resolution passed at its meeting held on December 05, 2024 authorized the Issue.
- In-principle approval from the BSE dated [□].

III. Approvals in relation Tax

- The permanent account number of our Company is AAACM6114G
- The tax deduction account number of our company is DELS04291H.
- The GST number of our Company is 24AAACM6114G1ZX.

IV. Approvals in relation to our Business

- Our Company has not registered into Udhog Aadhar issued by the Micro, Small and Medium Enterprises, Government of India.

V. Approvals in relation to Environment

Our Company has received a non-objection certificate (NOC) under the Water Pollution (Prevention and Control of Pollution), Act, 1974 and Air Pollution (Prevention and Control of Pollution) Act 1981 for its manufacturing activity issued by District Trade and Industries Centre Maharashtra .

OFFICES

Registered Office: 201 E Johari Palace, 51M.G Road ,Indore Tukoganj, Indore, Indore, Madhya Pradesh India 452001.

OTHER REGULATORY AND STATUTORY DISCLOSURES**AUTHORITY FOR THE ISSUE**

This Issue of Equity Shares to the Eligible Shareholders is being made in accordance with the:

1. Resolution passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on December 05, 2024
2. The Rights Issue Committee of Board of Directors of our Company in their meeting conducted on [●] approved this Issue inter-alia on the following terms:

Issue Size	Upto 49,00,00,000 /- (Fourty Nine Crore Rupees);
Issue Price	₹[●]/- (Rupees [●]) per Right Equity Share issued in 1 (One) Rights Entitlement, (i.e. ₹[●]/- (Rupees [●]) per Rights Equity Share, including a premium of ₹[●]/- (Rupees [●]) per Rights Equity Share);
Issue Entitlement Ratio	On Application, Investors will have to pay ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price;
Record Date	[●]:[●] i.e., Equity Shares for every [●] Equity Shares held by Eligible Shareholders of our Company as on Record Date;
	[●];

The Issue Price shall be determined by the Company;

3. This Draft Letter of Offer has been approved at Meeting of the Board of Directors on December 05, 2024.
4. Receipt of In-principle approval from BSE Limited in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Right Shares proposed to be allotted pursuant Issue vide a letter bearing reference number [●] from BSE Limited (BSE) dated [●]. Our Company will also make application to BSE Limited (BSE) to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular;
5. Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company.

PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

1. Our Company, and the Directors of our Company have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.
2. The companies with which our Directors or the persons in control of our Company are or were associated as directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. Our Company and the Directors of our Company have not been identified as Wilful Defaulters by the RBI;
4. None of our Directors are associated with the securities market in any manner;
5. Our Company, and the Directors of our Company have not been declared as fugitive economic offenders;
6. None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange;
7. There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, Directors, Group Companies;

ELIGIBILITY FOR THE ISSUE

1. Our Company is a listed company incorporated under the Companies Act, 2013. Our Equity Shares are presently listed on the BSE Limited (BSE). Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;
2. Our Company is undertaking this Right Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations. Our Company undertakes to make an application to BSE Limited (BSE) for listing of the Right Shares to be issued pursuant to this Issue.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

1. The present Issue being of less than ₹5,000 Lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI (ICDR) Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI, i.e. www.sebi.gov.in;
2. Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations to the extent applicable;
3. Further, in relation to compliance Regulation 62 (1) (a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to BSE Limited (BSE) for listing of the Right Shares to be issued pursuant to this Issue;

COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI (ICDR) Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with the SEBI and until date;
2. The reports, statements and information referred to above in clause (1) are available on the website of BSE Limited (BSE);
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board our Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI (ICDR) Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company is in compliance with the provisions of the Companies (Significant Beneficial Ownership) Rules, 2018.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹5,000.00 Lakhs.

As required, a copy of the Letter of Offer will be submitted to SEBI.

DISCLAIMER CLAUSES FROM OUR COMPANY

Our Company accept no responsibility for the statements made otherwise than in this Draft Letter of Offer or in any advertisement or other materials issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his/ her own risk.

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

CAUTION

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Right Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date of this Draft Letter of Offer.

DISCLAIMER WITH RESPECT TO JURISDICTION

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Indore, India only.

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Issue will be BSE Limited (BSE)

DISCLAIMER CLAUSE OF BSE LIMITED

As required, a copy of this Draft Letter of Offer has been submitted to the BSE Limited (BSE) has given vide its letter dated [●] to use its name in this Draft Letter of Offer. The Disclaimer Clause as shall be intimated by the BSE Limited (BSE) to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with BSE Limited (BSE) Further BSE Limited (BSE) does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
2. Warrant that our Company's Equity Shares will be listed or will continue to be listed on BSE Limited (BSE); or
3. Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

And it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the BSE Limited (BSE).

Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE Limited (BSE) whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

FILING

The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is up to ₹5,000.00 Lakhs which does not require issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with the Stock Exchange for obtaining in-principle approval.

SELLING RESTRICTIONS

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form, and the issue of Right Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, or Application Form may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer,

Abridged Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the BSE Limited (BSE). Accordingly, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Accordingly, the Rights Entitlements or Right Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Right Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Right Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or their respective affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Right Shares referred to in this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Right Shares in this Issue must provide an Indian address.

No information in this Draft Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Right Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Right Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or date of such information.

The contents of this Draft Letter of Offer, the Letter of Offer and Abridged Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Right Shares or Rights Entitlements. As a result, each Investor should consult its own counsel, business advisor, and tax advisor as to the legal, business, tax, and related matters concerning the offer of Right Shares or Rights Entitlements. In addition, neither our Company nor any of their respective affiliates are making any representation to any offeree or purchaser of the Right Shares or the Rights Entitlements regarding the legality of an investment in the Right Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Right Shares have not been and will not be registered under the United States Securities Act, 1933, as amended, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, 'U.S. persons' (as defined in Regulation S under the Securities Act, except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Right Shares referred to in this Draft Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Right Shares and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Draft Letter of Offer, the Letter of Offer, and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Entitlement Letter, and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Right Shares shall be made from US bank accounts and all persons subscribing for the Right Shares and wishing to hold such Right Shares in registered form must provide an address for registration of the Right Shares in India.

We, the Registrar, or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

- a. **Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Right Shares in compliance with all applicable laws and regulations;**
- b. **Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;**
- c. **Where a registered Indian address is not provided;**
- d. **Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;**

And we shall not be bound to allot or issue any Right Shares in respect of any such Application Form.

The Rights Entitlements may not be transferred or sold to any person in the United States.

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

1. Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011' dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of 3 (Three), members of the said committee, which meets as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, **Purva Shareregistry (India) Pvt. Ltd** for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

2. Investor Grievances arising out of this Issue

Our Company's investor grievances arising out of the Issue will be handled by **Purva Shareregistry (India) Pvt. Ltd**, who is the Registrar to the Issue. The Registrar to the Issue will have a separate team of personnel handling only post- Issue correspondence.

The agreement between our Company and the Registrar to the Issue will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial

number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar to the Issue for attending to routine grievances will be seven to ten days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the Company Secretary and Compliance Officer of our Company and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post-Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Right Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' on page130, of this Draft Letter of Offer.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

Company Secretary and Compliance Officer	Registrar to the Issue
<p>Ms. Nileema Mahanoti</p> <p>Address: C/o Hanuman mal Mahanot, Near Terapanth Bhawan Post-Udasar, Dist- Bikaner, (RAJ), PIN-334022</p> <p>Contact Details: 9977700223 ;</p> <p>Email-ID: bucha.nilu@gmail.com</p>	<p>Purva Sharegistry (India) Private Limited</p> <p>Registrar to the Rights Issue</p> <p>Address :9, Shiv Shakti Industrial Estate, J. R. BorichaMarg,Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai – 400011, Maharashtra</p> <p>Contact Details: +91 22 3522 0056 / 4961 4132;</p> <p>E-mail ID/ Investor grievance e-mail: newissue@purvashare.com</p> <p>Website: www.purvashare.com</p> <p>Contact Person: DeepaliDhuri, Compliance Officer</p> <p>SEBI Registration Number: INR000001112;</p> <p>Validity: Permanent:</p>

SECTION IX – ISSUE INFORMATION
TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained the Issue Materials, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up.

Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA facility as disclosed in this section.

OVERVIEW

This Issue and the Right Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the BSE Limited (BSE) and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

1. Dispatch and availability of Issue materials

In accordance with the SEBI ICDR Regulations, ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material ('Issue Materials') only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) on the websites of:

- a. Our Company's website at www.sylph.t@yahoo.com
- b. Registrar to the Issue's website at www.purvashare.com ;
- c. BSE Limited's website at www.bse.com;

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at www.purvashare.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at www.sylph.t@yahoo.com

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible. In light of the current situation and pursuant to the SEBI Rights Issue Circulars, our Company, and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form attributable to the non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

2. Facilities for Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled '*Procedure for Application through the ASBA Process*' page no. 140 of this Draft Letter of Offer.

ASBA facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled '*Procedure for Application through the ASBA Process*' on page 140 of this Draft Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and
- b. A demat suspense escrow account (Namely, 'Sylph Technologies Limited - **RIGHTS ENTITLEMENT SUSPENSE ESCROW DEMAT ACCOUNT**') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
 - (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - (ii) Equity Shares held in the account of IEPF authority; or
 - (iii) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - (iv) Credit of the Rights Entitlements returned/ reversed/ failed; or
 - (v) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

Eligible Shareholders as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer.

OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

Purpose	Link
Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors	www.purvashare.com
Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders	www.purvashare.com
Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company	www.purvashare.com
Updation of demat account details by Eligible Shareholders holding shares in physical form	

RENOUNCEES

All rights and obligations of the Eligible Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on December 05,2024, in accordance with the provisions of Section 62(1)(a) of the Companies Act.

The Board of Directors in their meeting held on [●] have determined the Issue Price at ₹[●] per Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date.

The Issue Price has been determined by the Company.

BASIS FOR THIS ISSUE

The Right Shares are being offered for subscription for cash to the Eligible Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date.

RIGHTS ENTITLEMENTS

Eligible Shareholders whose names appear as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Shares as set out in the Rights Entitlement Letter

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at www.purvashare.com by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on our Company's website at www.sylph.t@yahoo.com

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Rights Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Rights Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Rights Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the Registrar's website at www.purvashare.com. Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date.

Our Company is undertaking this Issue on a rights basis to the Eligible Shareholders and will send the Issue Materials to email addresses of Eligible Shareholders who have provided their Indian address to our Company or who are located in jurisdictions where this Issue and sale of the Rights Entitlements or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid email address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned email sent to email addresses of Eligible Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) and on the BSE Limited (BSE) website. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Right Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer filed with BSE Limited (BSE) and the Letter of Offer to be filed with SEBI and the BSE Limited (BSE). Accordingly, the Rights Entitlements and Right Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, or the Application Form should not, in connection with the issue of the Right Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Forms received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Right Shares under the laws of any jurisdiction which apply to such person.

PRINCIPAL TERMS OF THIS ISSUE

1. Face Value

Each Right Shares will be having face value of ₹1.00 (Rupee One Only).

2. Issue Price

Each Rights Equity Share is being offered at a price of ₹[●] (Rupees [●] Only) per Rights Equity Share (including a premium of ₹[●] (Rupees [●] Only) per Rights Equity Share) in this Issue.

On Application, Investors will have to pay entire amount of ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price.

The Issue Price for Right Shares has been arrived at by our Company and has been decided prior to the determination of the Record Date.

3. Rights Entitlements Ratio

The Right Shares are being offered on a rights basis to the Eligible Shareholders in the ratio of [●] Rights Equity Share(s) for every [●] fully paid up Equity Share(s) held by the Eligible Shareholders as on the Record Date.

4. Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the BSE Limited (BSE) or through an off-market transfer

In accordance with SEBI circulars the Physical Shareholders as on the Record Date, who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

5. Process of Credit of Rights Entitlements in dematerialized account

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and
- b. A demat suspense escrow account (namely, '[●]' opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
 - (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - (ii) Equity Shares held in the account of IEPF authority; or
 - (iii) Physical Shareholders as on Record Date where details of demat accounts are not provided by Eligible Shareholders to our Company or Registrar; or
 - (iv) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - (v) Credit of the Rights Entitlements returned/ reversed/ failed; or
 - (vi) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with the Depositories for the crediting of the Rights Entitlements to the demat accounts of the Eligible Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period, i.e., from [●] to [●] (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Shareholders whose Rights Entitlement are credited in demat suspense account are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the transfer. Physical Shareholders can update

the details of their demat accounts on the website of the Registrar accessible at www.purvashare.com. Such Eligible Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Shareholders and the demat suspense escrow account to the BSE after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED 'PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS' ON PAGE 140 OF THIS DRAFT LETTER OF OFFER.

6. Trading of the Rights Entitlements

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the BSE Limited (BSE) under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the BSE Limited (BSE) for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the BSE on T+1 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date. For details, see '*Procedure for Renunciation of Rights Entitlements – On Market Renunciation*' and '*Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*'.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

7. Terms of Payment

The entire amount of the Issue Price of ₹[●] per Rights Equity Share shall be payable at the time of Application.

Each Rights Equity Share is being offered at a price of ₹[●]/- per Rights Equity Share (including a premium of ₹[●]/- per Rights Equity Share), for every 1 Rights Equity Share allotted in this Issue.

Where an Applicant has applied for additional Right Shares and is Allotted a lesser number of Right Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

8. Fractional Entitlements

The Rights Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of [●] Rights Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder hold [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Shares. Such Eligible Shareholders are entitled to apply for additional Rights Shares and will be given preference in the Allotment of one Rights Shares, if such Eligible Shareholders apply for additional Rights Shares, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

9. Ranking of Equity Shares

The Right Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the BSE and the terms and conditions as stipulated in the Allotment advice.

The Right Shares being issued and Allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Right Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

10. Credit Rating

As this Issue is a Rights Issue, there is no requirement for credit rating for this Issue

11. Listing and trading of the Right Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Right Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Right Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Right Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the BSE Limited for final approvals for the listing and trading of the Right Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Right Shares or the price at which the Right Shares offered under this Issue will trade after the listing thereof.

The Right Shares shall be listed and admitted for trading on the BSE Limited (BSE) under ISINs for Right Shares. The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

The existing Equity Shares are listed and traded on platform of BSE bearing Scrip Symbol code 'SYLPH' Scrip code 511447 under ISIN'INE706f01021. The Rights Equity shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approval from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. In case our Company fails to obtain listing or trading permission from the BSE, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the BSE, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within 4 (Four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

12. Rights of holders of Right Shares of our Company

Subject to applicable laws, holders of the Right Shares shall have the following rights:

- a. The Right Shares shall rank *pari-passu* with the existing Equity Shares in all respects;
- b. The right to receive dividend, if declared;
- c. The right to vote in person, or by proxy, except in case of Right Shares credited to the demat suspense account for resident Eligible Shareholders;
- d. The right to receive surplus on liquidation;
- e. The right to free transferability of Right Shares;
- f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
- g. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Right Shares shall be entitled to the above rights in proportion to amount paid-up on such Right Shares in this Issue.

13. Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act and the provisions of the Articles of Association.

GENERAL TERMS OF THE ISSUE

1. Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for trading of Rights Entitlements is 1 Shares and in multiples of 1 Shares. To clarify further, fractional entitlements are not eligible for trading.

2. Minimum Subscription

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

- a. Objects of the issue being other than capital expenditure for a project; and

The objects of the Rights Issue involve financing other than the financing of capital expenditure for a project.

3. Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Right Shares offered in this Issue.

4. Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

5. Arrangements for Disposal of Odd Lots

The Rights Equity Shares are traded in dematerialized form only. The market lot for trading of Rights Entitlements is 1Share and in multiples of 1 Share and therefore the marketable lot is 1 Equity Shares.

6. Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

7. Notices

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their email address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation (Hindi being the regional language of Indore where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Right Shares to non-resident shareholders including additional Right Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things:

1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
2. Renounce the Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Right Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Right Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the e-mail address of non-resident Eligible Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Right Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Right Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Any non-resident shareholder who has applied in the Issue without submitting RBI approval and/or without providing Indian address, his/her application will be liable for rejection.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process only. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Right Shares offered as part of this Issue would be sent to the Eligible Shareholders only to

- (i) E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
- (ii) Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;
- (iii) Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and
- (iv) E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit www.purvashare.com. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of:

- (i) Our Company at [:https://www.sylphtechnologies.com/](https://www.sylphtechnologies.com/);
- (ii) The Registrar at www.purvashare.com;
- (iii) The Stock Exchange at www.bse.com.

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.purvashare.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at www.sylphtechnologies.com. The Application Form can be used by the Eligible Shareholders as well as the Renounees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of

the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Right Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Right Shares by:

- (i) Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- (i) The ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see 'Grounds for Technical Rejection'. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an Application that is available on the website of the Registrar, Stock Exchange, or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see '*Application on Plain Paper under ASBA process*' on page 142 of this Draft Letter of Offer.

OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

The Rights Entitlement Letter will clearly indicate the number of Right Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Right Shares to the full extent of its Rights Entitlements; or
2. Apply for its Right Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Right Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Right Shares to the full extent of its Rights Entitlements and apply for additional Right Shares; or
5. Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Right Shares:

Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Please note that on the Issue Closing Date:

Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE Limited(BSE), and

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 142 of this Draft Letter of Offer.

ADDITIONAL RIGHT SHARES

Investors are eligible to apply for additional Right Shares over and above their Rights Entitlements, provided that they are eligible to apply for Right Shares under applicable law and they have applied for all the Right Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity. Where the number of additional Right Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Right Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section '*Basis of Allotment*' on page no. 150.

Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Right Shares.

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Shares.

Pursuant to the ASBA Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Shares while submitting the Application through ASBA process.

PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part:

- 1) By using the secondary market platform of BSE Limited(BSE),; or
- 2) Through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Shares.

The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stockbroker regarding any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied for trading in Rights Entitlements

OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

(i) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchange under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [●] (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(ii) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (i) Name of our Company, being '**SYLPH TECHNOLOGIES LIMITED**';
- (ii) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (iii) Registered Folio No./DP and Client ID No.;
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialized form;
- (vi) Number of Right Shares entitled to;
- (vii) Total number of Right Shares applied for;
- (viii) Number of additional Right Shares applied for, if any;
- (ix) Total number of Right Shares applied for;
- (x) Total amount paid at the rate of ₹[●]/- for Right Shares issued in one Rights Entitlement;
- (xi) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- (xii) In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- (xiii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Right Shares applied for pursuant to this Issue;
- (xiv) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (xvi) In addition, all such Eligible Shareholders are deemed to have accepted the following:

'I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the 'US Securities Act') or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the 'United States') except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will

result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (hereinafter referred to as 'Regulation S'), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements. In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.purvashare.com.

I/ We acknowledge that Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.'

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.purvashare.com

MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility only.

The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in Section 40 (3) of the Companies Act, 2013.

The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB. The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

1. Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

2. Mode of payment for non-resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

- a) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, the BSE Limited (BSE), and our Company;

Note: In case of non-resident Eligible Shareholders, the Issue Materials shall be sent to shall be sent to their email addresses if they have provided their Indian address to our Company and if they are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. The Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions.

- i. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Shares may be restricted by applicable securities laws;
- ii. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

Notes

 - (i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
 - (ii) In case Rights Shares Are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India;
 - (iii) In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
 - (iv) Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
 - (v) In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
 - (vi) Non-resident Renouncees, who are not Eligible Shareholders, must submit regulatory approval for applying for additional Rights Shares;

ALLOTMENT OF THE RIGHT SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE 'ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS' ON PAGE 151 OF THIS DRAFT LETTER OF OFFER.

GENERAL INSTRUCTIONS FOR INVESTORS

1. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process;
2. Please read the instructions on the Application Form sent to you;
3. The Application Form can be used by both the Eligible Shareholders and the Renouncees;
4. Application should be made only through the ASBA facility;

5. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;
6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 142 of this Draft Letter of Offer;
7. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use only the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;
8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
9. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange;
10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;
11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;
12. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected.** With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be 'suspended for credit' and no Allotment and credit of Right Shares pursuant to this Issue shall be made into the accounts of such Investors;
13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;
14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;
15. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant;
16. All communication in connection with Application for the Right Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders, the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;
17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012 dated September 25, 2012' within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility;
18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered

SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;

19. Investors are required to ensure that the number of Right Shares applied for by them do not exceed the prescribed limits under the applicable law;
20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

Do's:

1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
2. mention their internal reference number in place of application number;
3. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
4. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ('Demographic Details') are updated, true and correct, in all respects;

Don'ts:

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
4. Do not pay the Application Money in cash, by money order, pay order or postal order;
5. Do not submit multiple Applications.

Do's for Investors applying through ASBA:

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Right Shares will be Allotted in the dematerialized form only;
2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;
3. Ensure that there are sufficient funds (equal to {number of Right Shares (including additional Right Shares) applied for} X {Application Money of Right Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;
4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;
5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;
6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;
7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is

also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

Don'ts for Investors applying through ASBA:

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;
2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;
13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Right Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered

Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Right Shares in respect of any such Application Form;

16. Applications which have evidence of being executed or made in contravention of applicable securities laws;
17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;

DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHT SHARES DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Right Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

MULTIPLE APPLICATIONS

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Right Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see '*Procedure for Applications by Mutual Funds*' below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected.

LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. The Board of Directors may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by the Board of Directors, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and the Board of Directors shall be at liberty to dispose of the Right Shares hereby offered, as provided under the section, '**Basis of Allotment**' on 135 of this Draft Letter of Offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE Limited(BSE),

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

WITHDRAWAL OF APPLICATION

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

ISSUE SCHEDULE

Last date for Credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation*	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of Credit (on or about)	[●]
Date of Listing (on or about)	[●]

** Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.*

Our Board of Directors may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Right Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Right Shares either in full or in part and also to the Renounee(s) who has or have applied for Right Shares renounced in their favour, in full or in part.
2. Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Right Shares. Allotment under this head shall be considered if there are any unsubscribed Right Shares after allotment under (a) above. If number of Right Shares required for Allotment under this head are more than the number of Right Shares available after Allotment under (a)

above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

3. Allotment to the Eligible Shareholders who having applied for all the Right Shares offered to them as part of this Issue, have also applied for additional Right Shares. The Allotment of such additional Right Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Right Shares after making full Allotment in (1) and (2) above. The Allotment of such Right Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
4. Allotment to Renounees who having applied for all the Right Shares renounced in their favour, have applied for additional Right Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Right Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
5. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Right Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will e-mail Allotment advice, refund intimations or demat credit of Right Shares and/or letters of regret, along with crediting the Allotted Right Shares to the respective beneficiary accounts (only in dematerialized mode) or in a demat suspense account or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 (Fifteen) days from the Issue Closing Date. In case of failure to do so, our Company and the Directors who are 'officers in default' shall pay interest at 15% (Fifteen Percent) p.a. and such other rate as specified under applicable law from the expiry of such 15 (Fifteen) days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

1. Unblocking amounts blocked using ASBA facility.
2. National Automated Clearing House (hereinafter referred to as 'NACH') – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through

NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

3. National Electronic Fund Transfer (hereinafter referred to as 'NEFT') – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (hereinafter referred to as 'IFSC Code'), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
5. RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

RECEIPT OF THE RIGHT SHARES IN DEMATERIALIZED FORM

Please Note That the Right Shares Applied For Under This Issue Can Be Allotted Only In Dematerialized Form And to

1. The Same Depository Account/ Corresponding PAN in which The Equity Shares Are Held By Such Investor On The Record Date, Or
2. The Depository Account, Details of which Have Been Provided to our Company or The Registrar At Least Two Working Days Prior To The Issue Closing Date By The Eligible Equity Shareholder Holding Equity Shares In Physical Form As On The Record Date, Or
3. Demat Suspense Account Pending Receipt of Demat Account Details For Resident Eligible Shareholders/ Where The Credit Of The Rights Entitlements Returned/Reversed/Failed.

Investors shall be Allotted the Right Shares in dematerialized (electronic) form.

INVESTORS MAY PLEASE NOTE THAT THE RIGHT SHARES CAN BE TRADED ON THE BSE LIMITED (BSE) ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Right Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In

case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Right Shares and the Application Form will be rejected.
5. The Right Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Right Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Right Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS

1. Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group 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 also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. 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 issue, 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 issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the 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.

2. Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

3. Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ('OCI') may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. 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.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ('Restricted Investors'), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Right Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor 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 Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

4. Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

5. Procedure for Applications by Systemically Important Non-Banking Financial Companies ('NBFC-SI')

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

'Any person who makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares 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 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than ₹10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

PAYMENT BY STOCK INVEST

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Rights Issue.

DISPOSAL OF APPLICATION AND APPLICATION MONEY

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board of Directors of the Company reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are 'officers in default' shall pay interest at the prescribed rate. In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Right Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of the issue 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 BSE Limited (BSE), where the Right Shares are to be listed are taken within the time limit specified by the SEBI;
3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;
6. Adequate arrangements shall be made to collect all ASBA applications;

UTILIZATION OF ISSUE PROCEEDS

Our Board declares that:

- a. All monies received out of issue of this Right Equity Issue to the public shall be transferred to a separate bank account.
- b. Details of all monies utilized out of this Right Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
- c. Details of all unutilized monies out of this Right Issue referred to in clause (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

IMPORTANT

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed Sylph Technologies-***RIGHT ISSUE***’ on the envelope and postmarked in India or in the email) to the Registrar at the following address:

Purva Sharegistry (India) Private Limited
Registrar to the Rights Issue
Address: 9, Shiv Shakti Industrial Estate, J. R. BorichaMarg,
Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai – 400011, Maharashtra
Contact Details: +91 22 3522 0056 / 4961 4132;
E-mail ID/ Investor grievance e-mail: newissue@purvashare.com
Website: www.purvashare.com
Contact Person: DeepaliDhuri, Compliance Officer
SEBI Registration Number: INR000001112;
Validity: Permanent Contact Person: Deepali Dhuri, Compliance Officer

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.purvashare.com).
4. This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the 'government route', where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (**'FDI Circular 2020'**), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

Our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals. The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Letter of Offer. Investors 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.

SECTION VII – OTHER INFORMATION

Please note that the Right Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at www.sylph.t@yahoo.com in from the date of this Draft Letter of Offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

1. Registrar Agreement dated [●] between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated [●] among our Company and the Registrar to the Issue and the Bankers to the Issue;

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Fresh certificate of incorporation
3. Copies of annual report of our Company for the last Financial Years for the Financial Year ending March 31, 2024.
4. Resolution of our Board of Directors dated December 05,2024, in relation to the Issue and other related matters;
5. Resolution of our Rights Issue Committee of Board of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
6. Consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Statutory Auditor, Banker to our Company, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
7. Report on Statement of Special Tax Benefits dated [●], for our Company from the Statutory Auditors of our Company;
8. In-principle approval issued by BSE Limited (BSE) dated [●];
9. Tripartite agreement amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
10. Tripartite agreement amongst our Company, National Securities Depository Limited and Registrar to the Issue.

Any of the contracts or documents mentioned in this Draft Letter of Offer 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 notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We/ I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder. We/ I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by Securities and Exchange Board of India, Government of India and any other competent authority in this behalf, have been duly complied with.

We/ I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Name of the Directors

Signature

Pranay Vaid
Managing Director
DIN No.: 09816710

Sd/-

Minaxi Parekh
Non-Executive Independent Director
DIN No.: 09769729

Sd/-

Pankaj Kalra
Non-Executive Independent Director
DIN No.: 09816592

Sd/-

Archana Gulia
Non - Executive Director
DIN No.: 09816488

Sd/-

Shailesh Bajibhai Patel
Non-Executive Independent Director
DIN No.: 02456670

Sd/-

SIGNED BY THE CHIEF FINANCIAL OFFICER

Mr. Sachin Singh

Sd/-

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Nileema Mahanot

Sd/-

Place: Indore

Date: December 05, 2024