



## INSPIRA ENTERPRISE INDIA LIMITED

Our Company was incorporated as "Inspira Enterprise India Private Limited" at Mumbai as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 1, 2008, issued by the RoC. Subsequent upon conversion into a public limited company under the Companies Act, 2013 pursuant to a special resolution passed by our Shareholders on June 29, 2021, and a fresh certificate of incorporation dated July 14, 2021 issued by the RoC, the name of our Company was changed to its current name, "Inspira Enterprise India Limited". For details relating to the changes in the registered office of our Company, see "History and Certain Corporate Matters" beginning on page 174.

**Registered Office and Corporate Office:** Unit No. 23, Level 2, Kalptaru Square, Kondivita Lane, Ramakrishna Mandir Road, Andheri (East), Mumbai - 400 059; **Tel:** +91 22 4056 9999  
**Contact Person:** Sachin Poptani, Company Secretary and Compliance Officer; **Tel:** +91 22 4056 9999; **E-mail:** investorrelations@inspiraenterprise.com; **Website:** www.inspiraenterprise.com  
**Corporate Identity Number:** U40109MH2008PLC187215

### OUR PROMOTERS: PRAKASH JAIN, CHETAN JAIN, VISHAL JAIN, MANJULA JAIN FAMILY TRUST AND PRAKASH JAIN FAMILY TRUST

**INITIAL PUBLIC OFFERING OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF INSPIRA ENTERPRISE INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ 8,000.00 MILLION ("OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING UP TO ₹ 3,000.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF [●] EQUITY SHARES AGGREGATING UP TO ₹ 5,000.00 MILLION OF WHICH ₹ 1,310.80 MILLION BY PRAKASH JAIN, [●] EQUITY SHARES AGGREGATING UP TO ₹ 917.70 MILLION BY MANJULA JAIN FAMILY TRUST AND [●] EQUITY SHARES AGGREGATING UP TO ₹ 2,771.50 MILLION BY PRAKASH JAIN FAMILY TRUST (TOGETHER, "PROMOTER SELLING SHAREHOLDERS"). (THE "OFFER FOR SALE", AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●]% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE "NET OFFER". OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS, IN CONSULTATION WITH THE MANAGERS, MAY OFFER A DISCOUNT OF UP TO [●]% (EQUIVALENT OF ₹ [●] PER EQUITY SHARE) TO THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING UNDER THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE OFFER WILL CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.**

**OUR COMPANY, IN CONSULTATION WITH THE MANAGERS, MAY CONSIDER A FURTHER ISSUE OF EQUITY SHARES THROUGH A PREFERENTIAL ISSUE OR ANY OTHER METHOD AS MAY BE PERMITTED IN ACCORDANCE WITH APPLICABLE LAW TO ANY PERSON(S), AGGREGATING UP TO ₹ 750.00 MILLION, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). IF THE PRE-IPO PLACEMENT IS COMPLETED, THE FRESH ISSUE SIZE WILL BE REDUCED TO THE EXTENT OF SUCH PRE-IPO PLACEMENT, SUBJECT TO THE OFFER CONSTITUTING AT LEAST [●]% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS IN CONSULTATION WITH THE MANAGERS AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), TOGETHER WITH BSE, THE "STOCK EXCHANGES" FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.**

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

This Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"). This Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company and the Promoter Selling Shareholders in consultation with the Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Accounts, and UPI ID in case of RIs using the UPI Mechanism, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") and the Sponsor Bank under the UPI Mechanism. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "Offer Procedure" beginning on page 392.

### RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 5. The Offer Price, Floor Price and Price Band, as determined and justified by our Company and the Selling Shareholders in consultation with the Managers, in accordance with the SEBI ICDR Regulations, and as stated in "Basis for the Offer Price" on page 97, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 31.

### ISSUER'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each Promoter Selling Shareholder, severally and not jointly, accept responsibility for and confirms that the statements made or confirmed by such Promoter Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to it and its portion of the Equity Shares offered in the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" beginning on page 436.

GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS			BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
<b>Axis Capital Limited</b> Address: 1 <sup>st</sup> Floor, Axis House, C-2 Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai - 400 025 Tel: +91 22 4325 2183 E-mail: <a href="mailto:inspira.ipo@axiscap.in">inspira.ipo@axiscap.in</a> Investor Grievance E-mail: <a href="mailto:complaints@axiscap.in">complaints@axiscap.in</a> Website: <a href="http://www.axiscapital.co.in">www.axiscapital.co.in</a> Contact Person: Ankit Bhatia SEBI Registration No.: INM000012029	<b>JM Financial Limited</b> Address: 7 <sup>th</sup> Floor, Chergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025 Tel: +91 22 6630 3030; +91 6630 3262 E-mail: <a href="mailto:inspira.ipo@jmfl.com">inspira.ipo@jmfl.com</a> Investor Grievance E-mail: <a href="mailto:grievance.ibd@jmfl.com">grievance.ibd@jmfl.com</a> Website: <a href="http://www.jmfl.com">www.jmfl.com</a> Contact Person: Prachee Dhuri SEBI Registration No.: INM000010361	<b>Nomura Financial Advisory and Securities (India) Private Limited</b> Address: Ceejay House, Level 11, Plot F, Shivsagar Estate, Dr. Annie Besant Marg, Worli, Mumbai - 400 018 Tel: +91 22 4037 4037 E-mail: <a href="mailto:inspiraipo@nomura.com">inspiraipo@nomura.com</a> Investor Grievance E-mail: <a href="mailto:investorgrievances-in@nomura.com">investorgrievances-in@nomura.com</a> Website: <a href="http://www.nomuraholdings.com/company/group/asia/india/index.html">www.nomuraholdings.com/company/group/asia/india/index.html</a> Contact Person: Vishal Kanjani/Ananya Joshi SEBI Registration No.: INM000011419	<b>SBI Capital Markets Limited</b> Address: 202, Maker Tower 'E', Cuffe Parade, Mumbai - 400 005, Tel: +91 22 2217 8300 E-mail: <a href="mailto:inspira.ipo@sbicaps.com">inspira.ipo@sbicaps.com</a> Investor Grievance E-mail: <a href="mailto:investorrelations@sbicaps.com">investorrelations@sbicaps.com</a> Website: <a href="http://www.sbicaps.com">www.sbicaps.com</a> Contact Person: Karan Savardekar / Sambit Rath SEBI Registration No.: INM000003531	<b>YES Securities (India) Limited</b> Address: 2nd Floor, YES Bank House, Off Western Express Highway, Santacruz East, Mumbai 400 055 Tel: +91 22 22 6507 8131 E-mail: <a href="mailto:inspira.ipo@ysil.in">inspira.ipo@ysil.in</a> Investor Grievance E-mail: <a href="mailto:igc@ysil.in">igc@ysil.in</a> Website: <a href="http://www.yesinvest.in">www.yesinvest.in</a> Contact Person: Sachin Kapoor/Lalit Phatak SEBI Registration No.: INM000012227	<b>Link Intime India Private Limited</b> C 101, 1 <sup>st</sup> Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai - 400 083 Tel: +91 22 4918 6200 E-mail: <a href="mailto:inspira.ipo@linkintime.co.in">inspira.ipo@linkintime.co.in</a> Investor Grievance E-mail: <a href="mailto:inspira.ipo@linkintime.co.in">inspira.ipo@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058

### BID/OFFER PROGRAMME

<b>BID/OFFER OPENS ON</b>	[●]*
<b>BID/OFFER CLOSES ON</b>	[●]**

\*Our Company and the Promoter Selling Shareholders may, in consultation with the Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

\*\*Our Company and the Promoter Selling Shareholders may, in consultation with the Managers, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rule guidelines or policy as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

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

*Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies in India”, “Financial Information” and “Outstanding Litigation and Other Material Developments”, beginning on pages 411, 100, 105, 169, 219 and 365 will have the meaning ascribed to such terms in those respective sections.*

#### General terms

Term	Description
our Company/the Company/the Issuer	Inspira Enterprise India Limited (previously known as Inspira Enterprise India Private Limited), a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at Unit No. 23, Level 2, Kalptaru Square, Kondivita Lane, Ramakrishna Mandir Road, Andheri (East), Mumbai - 400 059.
we/us/our	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries and Joint Ventures, on a consolidated basis

#### Company related terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended from time to time
Audit Committee	Audit committee of our Company, described in “ <i>Our Management-Corporate Governance</i> ” on page 193
Auditors/ Statutory Auditors	The current statutory auditors of our Company, currently being S.R. Batliboi & Associates LLP, Chartered Accountants
Board/ Board of Directors	The board of directors of our Company, as constituted from time to time
Chief Executive Officer/CEO	Chief executive officer of our Company, Manoj Kanodia
Chief Financial Officer/ CFO	Chief financial officer of our Company, Raghavendra Jha
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, being Sachin Poptani
CTO and CISO	Chief technology officer and Chief information security officer of our Company, Om Ahuja
CSR Committee/ Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, described in “ <i>Our Management-Corporate Governance</i> ” on page 193
Director(s)	The director(s) on our Board as set out in “ <i>Our Management</i> ” on page 186
Equity Shares	The equity shares of our Company of face value of ₹ 5 each
ESOP 2021	Inspira Enterprise India Limited – Employee Stock Option Scheme 2021
Executive Director and Chairman	Executive Chairman of our Company, Prakash Jain
Executive Director(s)	Executive Directors of our Company, currently Prakash Jain, Chetan Jain and Vishal Jain
F&S Report	The report titled “Global Information Technology Services Market” dated August 10, 2021, prepared and issued by Frost & Sullivan, exclusively commissioned and paid for by us in connection with the Offer

<b>Term</b>	<b>Description</b>
Group Companies	The companies as disclosed in “ <i>Group Companies</i> ” on page 211
Independent Directors	Independent directors of our Company as set out in “ <i>Our Management</i> ” on page 186
IPO Committee	The IPO committee of our Board
Joint Managing Director	Joint Managing Director of our Company, Vishal Jain
Joint Ventures	Joint ventures of our Company as set out in “ <i>Our Subsidiaries and Joint Ventures</i> ” on page 180. For the purpose of financial information included in this Draft Red Herring Prospectus, Joint Ventures would mean joint ventures as at and during the relevant Fiscal.
KMP/ Key Managerial Personnel	Key managerial 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 and as further described in “ <i>Our Management-Key Managerial Personnel</i> ” on page 201
Managing Director	Managing director of our Company, Chetan Jain
Materiality Policy	The policy adopted by our Board on August 2, 2021, for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, described in “ <i>Our Management-Corporate Governance</i> ” on page 193
Non-Executive Director	A Director not being an Executive Director of our Company
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 205
Promoter(s)	The Promoters of our Company, being Prakash Jain, Chetan Jain, Vishal Jain, Manjula Jain Family Trust and Prakash Jain Family Trust. For details, see “ <i>Our Promoters and Promoter Group</i> ” on page 205
Promoter Selling Shareholders	The selling shareholders, participating in the Offer for Sale, namely Prakash Jain, Prakash Jain Family Trust and Manjula Jain Family Trust
Registered Office / Registered Office and Corporate Office	The registered office and corporate office of our Company, situated at Unit No. 23, Level 2, Kalptaru Square, Kondivita Lane, Ramakrishna Mandir Road, Andheri (East), Mumbai - 400 059
Restated Consolidated Financial Statements	The restated consolidated financial statements of our Company together with Subsidiaries and Joint Ventures which comprises the restated consolidated statement of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 (proforma); the restated consolidated statement of profit and loss (including other comprehensive income); the restated consolidated statement of changes in equity; the restated consolidated cash flow statement for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019 (proforma); the summary statement of significant accounting policies, and other explanatory information derived from our audited consolidated financial statements as at and for the year ended March 31, 2021 prepared in accordance with Ind AS and our audited consolidated financial statements as at and for the year ended March 31, 2020 and 2019 prepared in accordance with Indian GAAP and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI..
RoC/Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai.
Shareholders	The holders of the Equity Shares from time to time.
Stakeholders Relationship Committee	The stakeholders’ relationship committee of our Company, described in “ <i>Our Management-Corporate Governance</i> ” on page 193
Subsidiary(ies)	Subsidiaries of our Company as set out in “ <i>Our Subsidiaries and Joint Ventures</i> ” on page 180. For the purpose of financial information included in this

<b>Term</b>	<b>Description</b>
	Draft Red Herring Prospectus, Subsidiaries would mean subsidiaries as at and during the relevant Fiscal.

#### Offer Related Terms

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Promoter Selling Shareholders pursuant to the Offer for Sale to successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company and the Promoter Selling Shareholders, in consultation with the Managers during the Anchor Investor Bidding Date
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Managers will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Promoter Selling Shareholders, in consultation with the Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Promoter Selling Shareholders in consultation with the Managers, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations  One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by RIBs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism

<b>Term</b>	<b>Description</b>
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis Capital	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank and Public Offer Account Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in “ <i>Offer Procedure</i> ” beginning on page 392
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term “Bidding” shall be construed accordingly
Bid Amount	<p>The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Investor and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid Eligible Employees applying in the Employee Reservation Portion can apply at the Cut Off Price and the Bid Amount shall be Cap Price, net of Employee Discount, if any, multiplied by the number of Equity Shares Bid for such Eligible Employee and mentioned in the Bid cum Application Form</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (net of Employee Discount). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000 (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount).</p>
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter

<b>Term</b>	<b>Description</b>
Bid/Offer Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Marathi daily newspaper). In case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank</p> <p>Our Company and the Promoter Selling Shareholders, in consultation with the Managers may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.</p>
Bid/Offer Opening Date	<p>Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Marathi daily newspaper)</p>
Bid/Offer Period	<p>Except in relation to Bid by Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company and the Promoter Selling Shareholders, in consultation with the Managers may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.</p>
Bidder	<p>Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor</p>
Bidding Centers	<p>Centers at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs</p>
Book Building Process	<p>Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made</p>
Book Running Lead Managers/ BRLMs	<p>The book running lead managers to the Offer namely, SBI Capital Markets Limited and YES Securities (India) Limited</p>
Broker Centres	<p>Broker centres of the Registered Brokers where ASBA Bidders can submit the ASBA Forms, provided that Retail Individual Investors may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)</p>
CAN/ Confirmation of Allocation Note	<p>Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date</p>

<b>Term</b>	<b>Description</b>
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Promoter Selling Shareholders, the Registrar to the Offer, the Managers, and Banker(s) to the Offer for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and as per the list available on the websites of BSE and NSE
Collecting Registrar and Share Transfer Agents/ CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by our Company and the Promoter Selling Shareholders, in consultation with the Managers, which shall be any price within the Price Band  Only Retail Individual Investors Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer.



<b>Term</b>	<b>Description</b>
Designated Intermediaries	<p>In relation to ASBA Forms submitted by Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by Retail Individual Investors (Bidding using the UPI Mechanism) where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and NIIs, Designated Intermediaries shall mean SCSBs, Syndicate, sub-Syndicate, Registered Brokers, CDPs and CRTAs.</p>
Designated RTA Locations	<p>Such locations of the CRTAs where Bidders can submit the ASBA Forms to CRTAs.</p> <p>The details of such Designated CRTA Locations, along with names and contact details of the CRTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (<a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>) and updated from time to time</p>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[•]
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated August 13, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer including any addenda or corrigenda thereto
Eligible Employees	<p>Permanent employees of our Company or of our Subsidiaries , as may be decided (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company or our Subsidiaries, as applicable, until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be available for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000 subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000</p>
Eligible FPI(s)	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares

<b>Term</b>	<b>Description</b>
Employee Discount	A discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share) as may be offered by our Company and the Promoter Selling Shareholders, in consultation with the Managers, to Eligible Employees and which shall be announced at least two Working Days prior to the Bid/Offer Opening Date
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares aggregating ₹[●] million which shall not exceed 5% of the post-Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue of [●] Equity Shares by our Company, at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 3,000.00 million.
General Information Document	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to, among others, the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the Managers
Global Co-ordinators and Book Running Lead Managers / GCBRLMs	The global co-ordinators and book running lead managers to the Offer namely, Axis Capital Limited, JM Financial Limited and Nomura Financial Advisory and Securities (India) Private Limited
JM Financial	JM Financial Limited
Managers	Collectively, the GCBRLMs and the BRLMs
Monitoring Agency	[●]
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	The proceeds from the Fresh Issue and the Pre-IPO Placement (if any) less the Offer related expenses applicable to the Fresh Issue
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Nomura	Nomura Financial Advisory and Securities (India) Private Limited

<b>Term</b>	<b>Description</b>
Non-Institutional Investors/ NIIs	All Bidders that are not QIBs or Retail Individual Investors and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Net Offer, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
Offer	The initial public offering of [●] Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ 8,000.00 million comprising the Fresh Issue <sup>^</sup> and the Offer for Sale.  <sup>^</sup> Our Company, in consultation with the Managers, may consider a Pre-IPO Placement. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the Managers and completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company.
Offer Agreement	The agreement dated August 13, 2021 amongst our Company, the Promoter Selling Shareholders and the Managers, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale component of the Offer, comprising of an offer for sale of [●] Equity Shares at ₹ [●] per Equity Share aggregating up to ₹ 5,000.00 million by the Promoter Selling Shareholders
Offer Price	₹ [●] per Equity Share, being the final price within the Price Band, at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus.  The Offer Price will be decided by our Company and the Promoter Selling Shareholders, in consultation with the Managers on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus  A discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion. This Employee Discount, if any, will be decided by our Company and the Promoter Selling Shareholders, in consultation with the Managers
Offered Shares	The Equity Shares being offered by the Promoter Selling Shareholders in the Offer for Sale comprising of an aggregate of [●] Equity Shares aggregating up to ₹ 5,000.00 million
Pre-IPO Placement	A further issue of Equity Shares, through a preferential issue or any other method as may be permitted in accordance with applicable law, aggregating up to ₹ 750.00 million, which may be undertaken by our Company, in consultation with the Managers, prior to the filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the Managers and completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company.
Predecessor Statutory Auditor	Lodha & Co., Chartered Accountants

<b>Term</b>	<b>Description</b>
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Promoter Selling Shareholders in consultation with the Managers, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi also being the regional language of Maharashtra, where our Registered is situated) at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company and the Promoter Selling Shareholders in consultation with the Managers, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The banks which are clearing members and registered with SEBI as bankers to an issue and with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
QIB Category/ QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Net Offer, consisting of [●] Equity Shares aggregating to ₹ [●] million which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and the Promoter Selling Shareholders in consultation with the Managers), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus/ RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto  The Bid/Offer Opening Date shall be at least three Working Days after the registration of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI
Registrar Agreement	The agreement dated August 13, 2021 among our Company, the Promoter Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer

<b>Term</b>	<b>Description</b>
Registrar to the Offer/ Registrar	Link Intime India Private Limited
Retail Individual Investors(s)/ RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not more than 10% of the Net Offer consisting of [●] Equity Shares aggregating to ₹ [●] million, which shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s)  QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/Offer Closing Date
SBICAP	SBI Capital Markets Limited
Self-Certified Syndicate Bank(s)/ SCSB(s)	(i) The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and  (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	Agreement to be entered into amongst the Promoter Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Promoter Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form
Sponsor Bank	The Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the RIIs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited.
Syndicate Agreement	Agreement to be entered into among our Company, the Promoter Selling Shareholders, the Managers and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries (other than the Managers) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●]

<b>Term</b>	<b>Description</b>
Syndicate/members of the Syndicate	Together, the Managers and the Syndicate Members
Systemically Important Non-Banking Financial Company/NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[•]
Underwriting Agreement	The agreement among the Underwriters, our Company and the Promoter Selling Shareholders to be entered into on or after the Pricing Date, but prior to filing of the Prospectus
UPI	Unified Payments Interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the Retail Individual Investor, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the Retail Individual Investor to such UPI linked mobile application) to the Retail Individual Investor using the UPI Mechanism initiated by the Sponsor Bank to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI linked mobile application, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by Retail Individual Investors to make Bids in the Offer in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI
YES Securities	YES Securities (India) Limited

#### **Conventional and General Terms and Abbreviations**

<b>Term</b>	<b>Description</b>
A/c	Account.
AED	United Arab Emirates Dirham, the official currency of the United Arab Emirates.

<b>Term</b>	<b>Description</b>
AGM	Annual general meeting.
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations.
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31.
CARO 2016	Companies (Auditor's Report) Order, 2016.
CARO 2020	Companies (Auditor's Report) Order, 2020.
CCI	Competition Commission of India.
CDSL	Central Depository Services (India) Limited.
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires.
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder, to the extent notified.
Competition Act	Competition Act, 2002.
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.
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number.
DP/ Depository Participant	A depository participant as defined under the Depositories Act.
DP ID	Depository Participant's Identification Number.
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry.
EBITDA	Earnings before interest, tax, depreciation and amortisation.
EEA	European Economic Area.
EGM	Extraordinary general meeting.
EPS	Earnings per share.
ERP	Enterprise Resource Planning.
EUR/ €	Euro
FDI	Foreign direct investment.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise.
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations.

<b>Term</b>	<b>Description</b>
Frost & Sullivan	Frost & Sullivan (India) Private Limited
FVCI	Foreign Venture Capital Investors (as defined under the SEBI FVCI Regulations) registered with SEBI.
GDP	Gross domestic product.
GIR Number	General index registration number.
GoI	Government of India.
GST	Goods and services tax.
HUF	Hindu undivided family.
I.T. Act	The Income Tax Act, 1961.
ICAI	The Institute of Chartered Accountants of India.
ICDS	Income Computation and Disclosure Standards.
IFRS	International Financial Reporting Standards.
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended.
Indian GAAP	Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Accounting Standards) Rules, 2014, as amended
IPO	Initial public offer.
IRDAI	Insurance Regulatory Development Authority of India
IT	Information technology.
MCA	Ministry of Corporate Affairs, Government of India.
MICR	Magnetic ink character recognition.
Mn/ mn	Million.
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
N.A. or NA	Not applicable.
NACH	National Automated Clearing House.
NAV	Net asset value.
NEFT	National electronic fund transfer.
Non-Resident	A person resident outside India, as defined under FEMA.
NPCI	National payments corporation of India.
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955.
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
NSDL	National Securities Depository Limited.



<b>Term</b>	<b>Description</b>
NSE	National Stock Exchange of India Limited.
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number allotted under the I.T. Act.
R&D	Research and development
RBI	Reserve Bank of India.
Regulation S	Regulation S under the Securities Act.
RONW	Return on net worth.
Rs./ Rupees/ ₹ / INR	Indian Rupees.
RTGS	Real time gross settlement.
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India.

Term	Description
STT	Securities Transaction Tax.
US GAAP	Generally Accepted Accounting Principles in the United States of America.
USA/ U.S. / US	The United States of America.
USD / US\$	United States Dollars.
VAT	Value added tax.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI FVCI Regulations.
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
WOS	Wholly owned subsidiary

### Technical and Industry Related Terms

Term	Description
AI	Artificial intelligence
BFSI	Banking, financial services and insurance
CAGR	Compounded Annual Growth Rate (as a %): $(\text{End Year Value} / \text{Base Year Value})^{1/\text{No. of years between Base year and End year}} - 1$ [^ denotes 'raised to']
Capital Employed	Capital employed is calculated as total assets less current liabilities, plus borrowings under current liabilities, current maturities of long-term debts and lease liabilities under current liabilities
CEH	Certified Ethical Hacker
CHFI	Certified Hacking Forensic Investigator
CISA	Certified Information Systems Auditor
CISM	Certified Information Systems Manager
CISSP	Certified Information Systems Security Professional
CoE	Center of excellence
EBIT	Earning Before Interest and Tax
EBITDA	Restated profit for the year/ period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income.
EBITDA Margin	EBITDA as a percentage of revenue from contracts with customers
ECSA	EC-Council Certified Security Analyst
GPEN	GIAC Penetration Tester
G-SOC	Global security operations center
IAM	Identity and access management
IDPS	Intrusion detection and prevention system
IoT	Internet-of-things
ISV	Independent software vendor
ITMS	Intelligent traffic management system
MDR	Managed detection and response
ML	Machine learning
MSP	Managed Service Provider
MSSP	Managed security solutions provider
MTTD	Mean Time To Detect / Discovery
MTTR	Mean Time To Respond
OSCP	Offensive Security Certified Professional
PACS	Picture archiving and communication system
PAT Margin	Restated profit after tax as a percentage of revenue from contracts with customers
R&D	Research and development
ROCE	EBIT divided by Capital Employed
ROE	Restated profit for the year/ period divided by total equity
SASE	Secure access service edge

<b>Term</b>	<b>Description</b>
SCADA	Supervisory Control and Data Acquisition
SDN	Software defined networking
SDWAN	Software Defined Wide Area Network
SOAR	Security orchestration and automation response
SOC	Security operations center
SWG	Secure web gateways
TMT	Telecom, media and technology
UEM	Unified endpoint management
UTM	Unified threat management

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

### **Certain Conventions**

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

Unless indicated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

### **Financial Data**

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Consolidated Financial Statements. Certain other financial information pertaining to our Group Companies is derived from their respective audited financial statements.

The Restated Consolidated Financial Statements of our Company together with Subsidiaries and Joint Ventures which comprises the restated consolidated statement of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 (proforma); the restated consolidated statement of profit and loss (including other comprehensive income); the restated consolidated statement of changes in equity; the restated consolidated cash flow statement for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019 (proforma); the summary statement of significant accounting policies, and other explanatory information derived from our audited consolidated financial statements as at and for the year ended March 31, 2021 prepared in accordance with Ind AS and our audited consolidated financial statements as at and for the year ended March 31, 2020 and 2019 prepared in accordance with Indian GAAP and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI.

The financial statements of our Company as at and for the year ended March 31, 2021 were audited by the present Statutory Auditors. The financial statements of our Company as at and for the year ended March 31, 2020 and March 31, 2019 were audited by the Predecessor Statutory Auditors of our Company, being Lodha & Co., Chartered Accountants.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS and other accounting principles, see “*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition*” on page 55.

Certain measures included in this Draft Red Herring Prospectus, for instance EBITDA, PAT Margin, EBITDA Margin, Return on Equity, and Return on Capital Employed (the “**Non-GAAP Measures**”), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Furthermore, these Non-GAAP Measures, are not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or US GAAP and should not be considered as an alternative to net profit/loss, revenue from contracts with customers or any other performance measures derived in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. In addition, Non-GAAP Measures used are not a standardised term, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Our Company’s management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company’s operating performance.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 31, 147 and 328, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise stated or context requires otherwise, have been calculated on the basis of amounts derived from our Restated Consolidated Financial Statements.

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

### **Industry and Market Data**

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled “Global Information Technology Services Market” dated August 10, 2021” by Frost & Sullivan (India) Private Limited (“**F&S Report**”) and publicly available information as well as other industry publications and sources. The F&S Report has been paid for and commissioned by our Company pursuant to an agreement dated April 28, 2021. The F&S Report is subject to the following disclaimer:

*“The independent market research study “Global Information Technology Services Market” (the “**Report**”) has been prepared for the proposed initial public offering of equity shares (“**Offer**”) by Inspira Enterprise India Limited (the “**Company**”).*

*The Report has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and industry experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited (“**Frost & Sullivan**”) and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

*Frost & Sullivan has prepared the Report in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that the Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.*

*Forecasts, estimates, predictions, and other forward-looking statements contained in the Report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.*

*In making any decision regarding the Offer, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which the Report is a part and the recipient must rely on its own examination and the terms of the Offer, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the Offer.”*

Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy, completeness or underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made

based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, we do not make any representation as to the accuracy of this information. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *"Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate."* on page 48.

In accordance with the SEBI ICDR Regulations, the section *"Basis for the Offer Price"* on page 97 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we nor the Managers have independently verified such information.

### Currency and Units of Presentation

All references herein to the:

**"Rupees"** or **"₹"** or **"Rs."** are to Indian Rupees, the official currency of the Republic of India; **"USD"** or **"U.S. Dollars"** or **"\$"** are to United States Dollars, the official currency of the United States; of America. **"EUR"** or **"€"** are to Euro, the official currency of Euro Member Countries; **"AED"** are to United Arab Emirates Dirham, the official currency of United Arab Emirates; **"HKD"** are to Hong Kong Dollar, the official currency of Hong Kong.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

### Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

### Exchange Rates

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

The exchange rates of USD into Indian Rupees for the periods indicated are provided below.

(in ₹)

Currency	Exchange Rate as on		
	March 31, 2021*	March 31, 2020*	March 31, 2019*
1 USD	73.16	75.37	69.26
1 EUR	85.92	83.08	77.78
1 AED	19.92	20.52	18.86
1 HKD	9.41	9.72	8.82

Source: <https://www.x-rates.com/>

\*In case March 31 of any of the respective years is a public holiday, the previous working day has been considered

## **NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES**

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of this Offer, including the merits and risks involved. The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“**U.S. Securities Act**”) or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘off-shore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as “forward-looking statements”. These forward looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “propose”, “will continue”, “seek to”, “will achieve”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India or globally, 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 our industry and incidence of any natural calamities and/or acts of violence.

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

- A network or data security incident may allow unauthorized access to our network or data, harm our reputation, create additional liability and adversely impact our financial results
- If the cyber-security market does not continue to adopt our security solutions, our sales will not grow as quickly as anticipated, or at all, and our business, results of operations and financial condition could be adversely affected
- We are subject to certain obligations under our agreements with clients, and a failure to comply with the technical specifications prescribed under such agreements may lead to loss of business from such clients, invocation of our warranty and indemnity obligations, and could negatively impact our reputation, business prospects and results of operations
- If we are not successful in executing our strategy to increase sales of our offerings to new and existing large enterprise clients, our operating results may suffer
- We face strong competition from onshore and offshore IT services companies, and increased competition, our inability to compete successfully against competitors, pricing pressures or loss of market share could materially adversely affect our business, financial condition and results of operations

For a further discussion of factors that could cause our actual results to differ, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 32, 147 and 328, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s belief and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, the Directors, the Promoter Selling Shareholders, nor the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances



arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company, the Promoter Selling Shareholders and the Managers will ensure that investors are informed of material developments pertaining to our Company and the Equity Shares forming part of the Offer for Sale from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. The Promoter Selling Shareholders shall ensure that investors are informed of material developments in relation to statements and undertakings specifically made or confirmed by the Promoter Selling Shareholders in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus until the grant of listing and trading permission by the Stock Exchanges.

## SECTION II - SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “Our Business”, “Industry Overview”, “Capital Structure”, “The Offer”, “Financial Information”, “Objects of the Offer” and “Outstanding Litigation and Other Material Developments” beginning on pages 31, 147, 105, 75, 57, 219, 87 and 365 respectively of this Draft Red Herring Prospectus.

### Primary business of our Company

We are a leading digital transformation company in India with a focus on cyber-security, and a global presence across several verticals (*Source: F&S Report*). We provide cyber security and digital transformation services to our clients and have executed large cyber-security transformation projects, infrastructure and digital transformation projects for various institutions in India. We have been ranked among the top 250 MSSP providers globally by MSSP Alert in the year 2020, and mentioned among 35 MSSP providers in Forrester’s Now Tech: Managed Security Services in Asia Pacific, Q4 2020 report. Through our wide range of offerings across multiple verticals and geographies, we possess capabilities spanning the digital lifecycle of services ranging from consultation, architecture, solution design and implementation, to monitoring and providing managed services.

### Summary of Industry

Cyber security has become the top priority for CIOs as businesses look out for the best-in-class security tools and partners who could build improved cyber security architecture for them. Countries have also been improving their national cybersecurity commitment. Technical measures are being designed to build implementation frameworks, technical mechanisms and national cybersecurity strategies. Countries are also taking tangible action against cybercrime and encouraging public-private partnerships to develop best practices. Globally, countries have started to realize the importance of cybersecurity. Despite tighter IT budgets during the ongoing pandemic, the global cyber security market is estimated to have grown by 7.9% in 2020 to be valued at \$127.3 billion. Enterprises continue to seek business models and tools that are inexpensive, flexible, scalable and affordable. (*Source: F&S Report*)

### Name of Promoters

As on the date of this Draft Red Herring Prospectus, Prakash Jain, Chetan Jain, Vishal Jain, Manjula Jain Family Trust and Prakash Jain Family Trust are our Promoters. For further details, see “Our Promoters and Promoter Group” at page 205.

### The Offer

Offer <sup>1</sup>	[●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to ₹ 8,000.00 million
<i>of which</i>	
Fresh Issue <sup>1^</sup>	[●] Equity Shares aggregating up to ₹ 3,000.00 million
Offer for Sale <sup>2</sup>	[●] Equity Shares by Prakash Jain, Manjula Jain Family Trust and Prakash Jain Family Trust aggregating up to ₹ 5,000.00 million
<i>of which</i>	
Employee Reservation Portion <sup>3</sup>	[●] Equity Shares, aggregating up to ₹ [●] million
Net Offer	[●] Equity Shares, aggregating up to ₹ [●] million

<sup>^</sup> Our Company, in consultation with the Managers, may consider a Pre-IPO Placement. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the Managers and completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company.

<sup>1</sup> The Offer has been authorized by a resolution of our Board dated August 2, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated August 3, 2021.

- <sup>2</sup> The Equity Shares being offered by each of the Promoter Selling Shareholders are eligible for being offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. Prakash Jain, Manjula Jain Family Trust and Prakash Jain Family Trust, the Promoter Selling Shareholders have consented to participate in the Offer for Sale pursuant to their respective consent letters each dated August 2 2021, respectively, and have consented to offer such number of Equity Shares aggregating up to ₹ 1,310.80 million, ₹ 917.70 million and up to ₹ 2,771.50 million, respectively, in the Offer for Sale.
- <sup>3</sup> The Offer includes a reservation of up to [●] Equity Shares, aggregating up to ₹[●] million, for subscription by Eligible Employees. Our Company and the Promoter Selling Shareholders, in consultation with the Managers, may offer a discount of up to [●]% (equivalent of ₹ [●] per Equity Share) to the Offer Price to Eligible Employees and which shall be announced at least two Working Days prior to the Bid/ Offer Opening Date. The Offer less the Employee Reservation Portion is the Net Offer. The Offer and Net Offer shall constitute [●] % and [●] % of the post-Offer paid-up equity share capital of our Company.

For further details, see “The Offer” and “Offer Structure” beginning on pages 57 and 387, respectively.

## Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

*(in ₹ million)*

Particulars	Amount which will be financed from Net Proceeds <sup>(1)</sup>
Funding working capital requirements of our Company	1,096.27
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	1,153.73
General corporate purposes <sup>(1)</sup>	[●]
<b>Total<sup>(1)</sup></b>	<b>[●]</b>

<sup>(1)</sup> To be finalised upon determination of the Offer Price. The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue. Our Company, in consultation with the Managers, may consider a Pre-IPO Placement. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the Managers and completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards one or more of the Objects.

## Aggregate pre-Offer shareholding of our Promoters (including the Promoter Selling Shareholders) and the members of our Promoter Group (other than our Promoters)

Sr. No.	Name of Shareholder	No. of Equity Shares	% of total pre-Offer paid up Equity Share capital
<b>Promoters</b>			
1.	Chetan Jain	600,000	0.83
2.	Manjula Jain Family Trust	13,200,000	18.20
3.	Prakash Jain Family Trust	39,866,856	54.97
4.	Prakash Jain	18,855,888	26.00
<b>Total (A)</b>		<b>72,522,744</b>	<b>99.99</b>
<b>Other members of the Promoter Group</b>			
1.	Manjula Jain	12	Negligible
2.	Jigar Jain	12	Negligible
3.	Paridhi Jain	12	Negligible
<b>Total (B)</b>		<b>36</b>	<b>Negligible</b>
<b>Total of Promoters and Promoter Group (A) + (B)</b>		<b>72,522,780</b>	<b>100.00</b>

For further details, see “Capital Structure” at page 75.

## Summary of Restated Consolidated Financial Statements

The following information has been derived from our Restated Consolidated Financial Statements:

*(₹ in million, except per share data)*

Particulars	As at and for the Fiscal ended		
	March 31, 2021	March 31, 2020	March 31, 2019 (proforma)
Share capital	60.44	60.44	60.44
Net worth*	1,142.97	724.04	530.37
Revenue from contracts with customers	8,027.59	7,623.31	6,247.72
Restated profit for the year	361.49	197.08	42.61
Earnings per Equity Share (basic and diluted) <sup>##</sup>	4.98	2.72	0.59
Net asset value (per Equity Share) <sup>**\$##</sup>	15.76	9.98	7.31
Total borrowings <sup>@</sup>	638.13	493.52	290.58

\*'Net worth' is the aggregate value of the paid-up share capital including instruments in the nature of equity and all reserves created out of profits, securities premium account and debit or credit balance of profit and loss account, share based payment reserve, money received against share warrants, capital reserve on consolidation, other reserves after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

\*\* Net Assets Value per equity share (₹): Net assets at the end of the respective periods divided by number equity shares outstanding at the end of respective periods. Net Assets means total assets minus total liabilities (excluding revaluation reserves).

<sup>##</sup> Pursuant to a resolution of our shareholders dated June 1, 2021, each equity share of our Company of face value of ₹ 10 was sub-divided into 2 equity shares of face value of ₹ 5 each and accordingly 6,043,565 equity shares of our Company of ₹10 each were split into 12,087,130 Equity Shares of ₹ 5 each. Further, the Company also allotted 60,435,650 bonus Equity Shares in the ratio of 5 Equity Shares for every 1 Equity Share held, on June 28, 2021. All per share data has been calculated after giving effect to such sub-division and bonus issue in accordance with principles of Ind AS 33.

<sup>@</sup> Total borrowings consist of current borrowings as per our Restated Consolidated Financial Statements.

For further details, see "Restated Consolidated Financial Statements" beginning on page 219.

### Auditors qualifications which have not been given effect to in the Restated Consolidated Financial Statements

There are no qualifications in the statutory audit reports and hence no effect is required to be given in the Restated Consolidated Financial Statements.

### Summary of Outstanding Litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus involving our Company, its Subsidiaries, Promoters, Directors, and Group Companies is provided below:

Type of Proceedings	Number of cases	Amount* (in ₹ million)
<b>Cases against the Company</b>		
Civil proceedings**	1	63.60
Tax proceedings	14	39.56
<b>Total</b>	<b>15</b>	<b>103.16</b>
<b>Cases by the Company</b>		
Civil proceedings**	1	109.78
Criminal proceedings	1	20.00
<b>Total</b>	<b>2</b>	<b>129.78</b>

\*To the extent quantifiable

\*\*In accordance with the Materiality Policy

For further details of the outstanding litigation proceedings, see "Outstanding Litigation and Other Material Developments" beginning on page 365.

### Risk Factors

Specific attention of Investors is invited to the section "Risk Factors" on page 31. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

### Summary of Contingent Liabilities

A summary table of contingent liabilities as at March 31, 2021 as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets is set forth below:

Particulars	As at March 31, 2021
	Amount (₹ in million)
(i) <u>Claims against Group not acknowledged as debts</u>	
Income tax matters pending before tax authorities	7.39
Sales tax demand	23.48
(ii) <u>Others</u>	
Bank guarantee	2,007.75
Letter of credit	70.34

### Summary of Related Party Transactions

Summary of the related party transactions as per Ind AS 24-Related Party Disclosures, read with the SEBI ICDR Regulations, derived from Restated Consolidated Financial Statements, is set forth below

(₹ in million)

Sr No	Name of the related party	Nature of transaction	For the year ended		
			31 March 2021	31 March 2020	31 March 2019 (Proforma)
1	Yooil Infrastructure Private Ltd. (Joint Venture)	Amounts paid on behalf of	-	-	3.35
		Interest Income	-	2.38	1.44
		Loans and advances given	-	-	35.10
2	Inspira IT Products Private Ltd. (Other related parties)	Amounts paid by	-	-	0.04
		Amounts paid on behalf of	0.03	0.25	0.01
		Sale of traded goods and services	-	-	5.35
3	IRAM Technologies Private Ltd. (Joint venture)	Purchase of traded goods and services	66.29	43.72	18.69
		Sale of traded goods and services	4.00	-	-
4	ITS Planners and Engineers Private Ltd. (Joint venture)	Purchase of traded goods and services	59.77	134.74	8.42
		Sale of traded goods and services	12.02	-	8.08
5	Manorama Infosolutions Private Ltd. (Joint venture)	Purchase of traded goods and services	91.21	76.22	47.05
		Sale of traded goods and services	97.43	-	-
6	Realty Finance & Leasing Pvt Ltd (other related parties)	Amounts paid by	-	-	0.60
		Amounts paid on behalf of	-	-	0.12
		Interest Income on security deposits	0.91	0.84	0.78
		Interest on lease liabilities- Ind AS 116	0.95	1.52	2.12
		Repayment of lease liability- Ind AS 116	8.40	8.40	8.40

(₹ in million)

Sr No	Name of the related party	Nature of transaction	For the year ended		
			31 March 2021	31 March 2020	31 March 2019 (Proforma)
7	Ashwini Poptani (relative of Key Management Personnel)	Vehicle rent	0.84	0.84	0.84
8	Chetan Jain (Key Management Personnel)	Loans and advances taken	290.60	113.00	302.50
		Remuneration paid	5.00	8.00	5.00
9	Jay Prakash Sahal (Key Management Personnel)	Remuneration paid	6.78	-	-
10	Jigar Jain (Key Management Personnel)	Loans and advances taken	7.50	72.00	110.00
		Remuneration paid	-	14.50	5.00
		Sale of investment	-	0.25	-
11	Kavita Kanodia (relative of Key Management Personnel)	Vehicle rent	0.96	0.96	0.96
12	Manjula Jain (spouse of director)	Loans and advances taken	-	25.00	-
13	Manjula Jain Family Trust (other related party)	Loans and advances taken	-	55.00	-
14	Manoj Kanodia (Key Management personnel)	Remuneration paid	18.05	20.39	16.81
15	Prakash Jain (Key Management personnel)	Loans and advances taken	-	15.00	57.50
		Remuneration paid	7.50	47.00	450.00
16	Prakash Jain Family Trust (ultimate holding and controlling)	Loans and advances taken	-	288.54	-
17	Sachin Poptani (Key Management personnel)	Remuneration paid	7.44	7.60	6.73
18	Sanjaykumar Dhoot (Key Management personnel)	Remuneration paid	6.41	9.22	8.07
19	Sumita Dhoot (relative of Key Management personnel)	Vehicle rent	-	1.14	0.94
20	Vishal Jain (Key Management personnel)	Loans and advances taken	20.00	35.00	-
		Remuneration paid	5.00	-	5.00

The following are the details of the transactions eliminated as per Ind AS 24 read with SEBI ICDR Regulations during the years ended March 31, 2021, March 31, 2020 and March 31, 2019:

(₹ in million)

Sr No	Name of the related party	Nature of transaction	For the year ended		
			31 March 2021	31 March 2020	31 March 2019 (Proforma)
1	Inspira MEA IT Solutions Limited, UAE	Interest Income	5.61	2.37	0.38

(₹ in million)

Sr No	Name of the related party	Nature of transaction	For the year ended		
			31 March 2021	31 March 2020	31 March 2019 (Proforma)
	(Subsidiary)	Cost of Material Consumed	31.28	-	-
		Loans and Advances Given	11.00	12.97	15.70
2	Inspira Tech Asia PTE Ltd (Subsidiary)	Sale of Traded Goods and Services	15.21	-	-
		Interest Income	1.05	--	--
		Loans and Advances Given	16.54	-	-
		Amounts paid on behalf of	-	-	0.12
3	Inspira Enterprise INC (Subsidiary)	Interest Income	0.18	-	-
		Amounts paid on behalf of	-	1.38	-
4	Inspira Enterprise IT Solutions L.L.C (Subsidiary)	Purchase of Equity Share	0.48	-	-
		Interest Income	0.47	-	-
		Loans and Advances Given	10.08	-	-
		Amounts paid on behalf of	-	0.52	-
5	Inspira IT Solutions & Services Private Limited	Provision for diminution in value of investments	-	-	13.93
		Amounts paid on behalf of	-	-	0.45
6	Manorama Infosolutions Private Limited (Joint Venture)	Unrealised profit on goods purchased	19.09	(6.96)	-
7	IRAM Technologies Private Limited (Joint Venture)	Unrealised profit on goods purchased	-	2.22	(2.22)
8	ITS Planners & Engineers Private Limited (Joint Venture)	Unrealised profit on goods purchased	-	2.20	(2.20)

### Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

### Weighted average price at which the Equity Shares were acquired by each of our Promoters (including the Promoter Selling Shareholders) in the one year preceding the date of this Draft Red Herring Prospectus

Other than the issue of Equity Shares pursuant to the bonus issue on June 28, 2021, our Promoters (including the Promoter Selling Shareholders) have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

### Average Cost of Acquisition of Equity Shares by our Promoters (including the Promoter Selling Shareholders)

The average cost of acquisition of equity shares by our Promoters (including the Promoter Selling Shareholders),

as at the date of this Draft Red Herring Prospectus, is:

Name	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹) <sup>#</sup>
Prakash Jain	18,855,888	6.77
Chetan Jain	600,000	0.83
Prakash Jain Family Trust (through its trustee, Manjula Jain)	39,866,856	Nil
Manjula Jain Family Trust (through its trustee, Prakash Jain)	13,200,000	Nil

<sup>#</sup>Pursuant to the certificate dated August 13, 2021 from Lodha & Co., Chartered Accountants. For further details, see “Capital Structure-Build-up of our Promoters’ shareholding in our Company” on page 79.

### Details of Pre-IPO Placement

Our Company, in consultation with the Managers, may consider a further issue of equity shares, through a preferential issue or any other method as may be permitted under the applicable law to any person(s), aggregating up to ₹ 750.00 million, prior to filing of the Red Herring Prospectus with the RoC (“**Pre-IPO Placement**”). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the Managers and completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company.

### Offer of Equity Shares for consideration other than cash or through a bonus issue in the last one year

Other than the bonus shares issued by our Company on June 28, 2021, our Company has not issued any Equity Shares for consideration other than cash or through a bonus issue in the one year preceding the date of this Draft Red Herring Prospectus. For details, see “Capital Structure – Equity shares issued for consideration other than cash or through bonus issue” on page 76.

### Split or Consolidation of Equity Shares in the last one year

Except as disclosed below, our Company has not undertaken split or consolidation of its equity shares in the one year preceding the date of this Draft Red Herring Prospectus:

Pursuant to a resolution of our Board passed in their meeting held on May 26, 2021 and a resolution of our Shareholders passed in their Extra Ordinary General Meeting held on June 1, 2021, each fully paid up equity share of our Company of face value ₹10 was split into 2 Equity Shares of ₹ 5 each, and accordingly, 6,043,565 equity shares of our Company of ₹10 each were split into 12,087,130 Equity Shares of ₹ 5 each. For details, see “Capital Structure – Equity Share capital history of our Company” on page 75.



## SECTION III - RISK FACTORS

*An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 147, 105, 328 and 219, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.*

*Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.*

*This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see “Forward-Looking Statements” on page 22.*

*Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Statements” on page 219. Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Inspira Enterprise India Limited on a consolidated basis and references to “the Company” or “our Company” refers to Inspira Enterprise India Limited on a standalone basis.*

*Unless otherwise indicated or the context otherwise requires, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Global Information Technology Services Market” dated August 10, 2021 (the “F&S Report”), prepared and issued by Frost & Sullivan, appointed on April 28, 2021 and exclusively commissioned and paid for by us in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see “Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate” on page 48. Also see, “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data” on page 19.*

### **Internal Risk Factors**

- 1. A network or data security incident may allow unauthorized access to our network or data, harm our reputation, create additional liability and adversely impact our results of operations, financial condition, and cash flows.***

Increasingly, companies are subject to a wide variety of attacks on their networks on an ongoing basis. In addition to traditional computer “hackers,” malicious code (such as viruses and worms), phishing attempts, employee theft or misuse, and denial of service attacks, sophisticated nation-state and nation-state supported actors engage in intrusions and attacks (including advanced persistent threat intrusions) and add to the risks to our internal networks, cloud deployed enterprise and client facing environments and the information they store and process.

Despite significant efforts to create security barriers to such threats, it is virtually impossible for us to entirely mitigate these risks. We and our vendors may face security threats and attacks from a variety of sources. Our data, corporate systems, third-party systems and security measures may be breached due to the actions of outside parties, employee error, malfeasance, a combination of these, or otherwise, and, as a result, an unauthorized party may obtain access to our data. Further, as a well-known provider of security solutions, we may be a more attractive target for such attacks.

A breach in our data security or an attack against our service availability, or that of our vendors, could impact our networks or networks secured by our cyber-security offerings, creating system disruptions or slowdowns and exploiting security vulnerabilities, and the information stored on our networks or those of our vendors could be accessed, publicly disclosed, altered, lost, or stolen, which could subject us to liability and cause us financial harm. Although we have not experienced any significant damages from unauthorized access by a third party of our internal network, any actual or perceived breach of network security in our systems or networks, or any other actual or perceived data security incident we or our vendors suffer, could result in damage to our reputation, negative publicity, loss of channel partners, clients and sales, loss of competitive advantages over our competitors, increased costs to remedy any problems and otherwise respond to any incident, regulatory investigations and enforcement actions, costly litigation, and other liability. In addition, we may incur significant costs and operational consequences of investigating, remediating, eliminating and putting in place additional tools and devices designed to prevent actual or perceived security breaches and other security incidents, as well as the costs to comply with any notification obligations resulting from any security incidents. Any of these negative outcomes could adversely impact the market perception of our offerings and client and investor confidence in our Company and could seriously harm our business or operating results.

***2. If the cyber security market does not continue to adopt our security solutions, our sales will not grow as quickly as anticipated, or at all, and our business, results of operations, financial condition, and cash flows could be adversely affected.***

In Fiscals 2019, 2020, and 2021, revenue generated from cyber security represented 26.32%, 27.97% and 44.16% of our revenue from contracts with customers, respectively. We also intend to continue to grow our cyber security offerings, and our future success accordingly depends on adoption of our cyber security solutions by our clients. Our cyber security offerings comprise solutions that aim to detect and prevent threats, measure security effectiveness, investigate and respond to breaches and enable customers to adapt to changes in the threat environment. Our solutions interoperate with, but do not replace, other cyber security products. Enterprises that use other security products for their cyber security may be hesitant to purchase our security solutions if they believe their existing products provide a level of cyber security that is sufficient to meet their needs, or that the general level of advanced cyber-attacks have declined. Enterprises may typically not allocate a fixed portion of their budgets to separate advanced security products, standalone threat intelligence or solutions that evaluate security effectiveness. As a result, to expand our client base, we need to convince potential clients to allocate a portion of their discretionary budgets to purchase our solutions. However, even if we are successful in doing so, any future deterioration in general economic conditions, including as a result of the COVID-19 pandemic, may cause our clients to cut their overall IT spending, and such cuts may fall disproportionately on solutions like ours. If we do not succeed in convincing clients that our solutions should be an integral part of their overall approach to cyber security, our sales will not grow as quickly as anticipated, or at all, and if clients do not allocate a fixed portion of their annual IT budgets to our solutions, we may not be able to enter into long-term contracts, which would have an adverse impact on our business, results of operations, and financial condition, and cash flows.

Even if there is significant demand for security solutions like ours, if our competitors include functionality that is, or is perceived to be, better than or equivalent to that of our solutions, we may have difficulty increasing the market penetration of our solutions. Furthermore, even if the functionality offered by other cyber security providers is different and more limited than the functionality of our solutions, organizations may elect to accept such limited functionality in lieu of adding solutions and services from additional vendors like us, especially if competitor offerings are available at a lower cost. For instance, while we possess capabilities for cloud security services and technology integration services, we have not yet been engaged by enterprises for these services. If enterprises do not adopt our cyber security for any of the reasons discussed above or for other reasons not contemplated, our sales would not grow as quickly as anticipated, or at all, and our business, results of operations, financial condition, and cash flows would be adversely affected.

***3. We are subject to certain obligations under our agreements with clients, and a failure to comply with the technical specifications prescribed under such agreements may lead to loss of business from such clients,***

***invocation of our warranty and indemnity obligations, and could negatively impact our reputation, business prospects, results of operations, financial condition, and cash flows.***

Our services and solutions are typically subject to stringent scheduling requirements, extensive technical specifications and other obligations, including in relation to data security, as specified by our clients in their respective agreements with us. Further, for any variations in the specifications or our obligations, we are typically required to obtain prior consent from our clients. We also provide our services with warranties against technical defects. We therefore accrue liability for potential warranty claims at the time of sale. While we obtain back to back warranties from our vendors, if we experience an increase in warranty claims or if our repair and replacement costs associated with warranty claims increase significantly, we may have to accrue a greater liability for potential warranty claims under Ind AS 37. Moreover, an increase in the frequency of warranty claims could substantially increase our costs, harm our reputation and brand, and materially affect our business, results of operations, financial condition, and cash flows.

Further, our agreements also require us to indemnify our clients for losses arising out of, among other things, non-performance or breach of our obligations, infringement of intellectual property rights and gross negligence. In certain contracts, the liability could even extend beyond the contract value and for certain contracts, the capping of liability may not apply for instance in cases of security and/or data leakage, breach of confidentiality, customer claims of certain nature such as reputation loss, claims on account of breaches of regulations relating regulatory authorities, which are in the nature of consequential losses or indirect losses. We are also required under certain agreements to pay penalties and/or liquidated damages in the event of delays or other non-compliances. Furthermore, we have provided performance bank guarantees under certain agreements to our clients in relation to our obligations. While there have not been any past instances of failure to perform our obligations under such agreements, including any non-compliance with such specifications, any such failure on our part in the future may lead to termination of the agreement, loss of business with such client, loss of reputation and loss of goodwill. Additionally, it could expose us to indemnity, monetary liability by way of penalties and liquidated damages and may further result in litigation proceedings, which could adversely affect our business, operations, our cash flows and financial condition.

***4. If we are not successful in executing our strategy to increase sales of our offerings to new and existing large enterprise clients, our operating results may suffer.***

Our results of operations depend in part on sales to large organizations, which have multiple digital transformation and related cyber-security requirements. Our growth strategy is therefore dependent, in part, upon increasing sales of our offerings to new and existing large enterprise clients. Sales to these clients involve risks that may not be present, or that are present to a lesser extent, with sales to smaller entities. These risks include:

- competition from larger IT services companies, that traditionally target larger enterprises, service providers, and government entities and that may have pre-existing relationships or purchase commitments from those clients;
- increased purchasing power and leverage held by large clients in negotiating contractual arrangements with us;
- more stringent requirements in our worldwide support contracts, including stricter support response times and penalties for any failure to meet support requirements; and
- longer sales cycles, particularly during the current economic slowdown and in some cases over 12 months, and the associated risk that substantial time and resources may be spent on a potential client that elects not to purchase our offerings.

In addition, purchases by large enterprises are frequently subject to budget constraints, multiple approvals, and unplanned administrative, processing, and other delays. Finally, large enterprises typically have longer implementation cycles, require greater product functionality and scalability and a broader range of services, demand that vendors take on a larger share of risks, sometimes require acceptance provisions that can lead to a delay in revenue recognition, and expect greater payment flexibility from vendors. All of these factors can add further risk to business conducted with these clients. If we fail to realize an expected sale from a large client in a particular quarter or at all, our business, operating results, cash flows, and financial condition, could be materially and adversely affected.

***5. We face strong competition from onshore and offshore IT services companies, and increased competition, our inability to compete successfully against competitors, pricing pressures or loss of market share could materially adversely affect our business, results of operations, financial condition, and cash flows.***

The market for IT services that we operate in is highly competitive, and we expect competition to persist and intensify. We believe that the principal competitive factors in our markets are reputation and track record, industry expertise, breadth and depth of service offerings, quality of the services offered, language, marketing and selling skills, scalability of infrastructure, ability to address customers' timing requirements and price.

We face competition from offshore IT services providers in emerging outsourcing destinations with low wage costs or with a more favourable time zone for international customers as well as competition from large, global consulting and outsourcing firms and in-house IT departments of large corporations. Customers tend to engage multiple IT services providers instead of using an exclusive IT services provider, which could reduce our revenues to the extent that customers obtain services from other competing IT services providers. Customers may prefer IT services providers that have more locations or that are based in countries more cost-competitive or in a more favourable time zone than India.

Our ability to compete successfully also depends in part on a number of factors beyond our control, including the ability of our competitors to recruit and retain highly-skilled IT professionals, the price at which our competitors offer comparable services and our competitors' responsiveness to client needs. Some of our present and potential competitors may have substantially greater financial, marketing or technical resources. If our competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to offer similar services at lower prices than we do without adversely affecting their profit margins. Our current and potential competitors may also be able to respond more quickly to new technologies or processes and changes in client demands; may be able to devote greater resources towards the development, promotion and sale of their services than we can; and may also make strategic acquisitions or establish cooperative relationships among themselves or with third parties that increase their ability to address the needs of our clients. Buying patterns may change if clients become more price sensitive and accepting of low-cost suppliers. Therefore, we cannot assure you that we will be able to retain our clients while competing against such competitors. Increased competition, our inability to compete successfully, pricing pressures or loss of market share could have a material adverse effect on our business, results of operations, financial condition, and cash flows.

***6. Our sales cycles can be long and unpredictable, and our sales efforts require considerable time and expense. As a result, our sales, billings and revenue are difficult to predict and may vary substantially from period to period.***

Our results of operations may fluctuate, in part, because of the resource intensive nature of our sales efforts, the length and variability of our sales cycle and the short-term difficulty in adjusting our operating expenses. The length of our sales cycle, from proof of concept to delivery of and payment for our solutions, is typically a few months and may extend for longer durations in certain circumstances. To the extent our competitors develop offerings that our prospective clients view as equivalent to ours, our average sales cycle may increase or the demand for our offerings may decline altogether. As the length of time required to close a sale varies substantially from client to client, it is difficult to predict exactly when, or even if, we will make a sale with a potential client. In addition, as most of our clients typically allocate their IT budgets in the second half of the Fiscal year, we record an increase in revenue from contracts with customers in our third and fourth quarters (October to March). We generally bill a number of large deals each quarter, and the loss or delay of payment in relation to one or more of these large transactions in a quarter could impact our results of operations for that quarter and any future quarters for which revenue from that transaction is delayed. As a result of such fluctuations, our sales and results of operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance.

***7. If we do not accurately predict, prepare for, and respond promptly to rapidly evolving technological and market developments and successfully manage our offerings to successfully transition to changing client needs in the cyber-security and digital transformation market, our competitive position and prospects will be harmed.***

The cyber security and digital transformation markets have grown quickly and are expected to continue to evolve rapidly. Moreover, many of our clients operate in markets characterized by rapidly changing technologies and business plans, which require them to add numerous network access points and adapt increasingly complex enterprise networks, incorporating a variety of hardware, software applications, operating systems, and networking protocols. We must continually change our offerings and expand our business strategy in response to changes in network infrastructure requirements, including the expanding use of cloud computing. While we have

been able to develop, acquire, and market new solutions that respond to technological change and evolving industry standards, we may not be able to continue to do so and there can be no assurance that our new or future offerings will be successful or will achieve widespread market acceptance. If we fail to accurately predict clients' changing needs and emerging technological trends in the cyber-security and digital transformation industry, including in the areas of mobility, virtualization, cloud computing, and software defined networks ("SDN"), our business could be harmed. In addition, COVID-19 and the resulting increase in client demand for work-from-home technologies and other technologies have caused us to reprioritize our engineering efforts and there can be no assurance that any product enhancements or new features will be successful or address our clients' needs.

The technology in our portfolio is complex because it needs to effectively identify and respond to new and increasingly sophisticated methods of attack, while minimizing the impact on network performance. If we experience unanticipated delays in the availability of new products, features and subscriptions, and fail to meet client expectations for such availability, our competitive position and business prospects will be harmed.

Additionally, we must commit significant resources towards cloud, security, AI/ML analytics and other offerings before knowing whether our investments will result in offerings that the market will accept. Moreover, the success of new offerings depends on a number of factors including, our ability to manage the risks associated with quality or other defects or deficiencies, especially in the early stages of introduction. For instance, we recently commissioned a third-party to carry out a voluntary SOC 2 Type examination of our G-SOC for the year 2020. The examination revealed certain lapses that we are in the process of addressing, and there can be no assurance that our other offerings and services will not have similar deficiencies till such time these offerings mature. There can be no assurance that we will successfully identify opportunities for new offerings, develop and bring new offerings to market in a timely manner, or achieve market acceptance of our offerings, or that offerings and technologies developed by others will not render our offerings obsolete or non-competitive.

***8. If our clients terminate contracts with us before completion, negotiate adverse terms of the contract or choose not to renew contracts, it could materially adversely affect our business, results of operations, financial condition, and cash flows.***

The term of the agreements we enter into with our clients typically range from one to five years, until such agreements are terminated or, in certain instances, as long as there are subsisting statements of works or purchase orders with the clients. Although a substantial portion of our revenues is based on bundled long-term contracts, our engagements with our clients are typically for projects that are singular in nature. In addition, certain clients are entitled to terminate our agreements and work orders with or without cause. Therefore, we must seek to obtain new engagements when our current engagements are successfully completed or are terminated as well as maintain relationships with existing clients and secure new clients to expand our business.

Several factors other than our performance could cause the loss of or reduction in revenues from a client. For further information, please also see "*Risk Factors – Our revenues are dependent on a limited number of industry verticals, and any decrease in demand for outsourced services in these industry verticals could reduce our revenues and materially adversely affect our business, results of operations, financial condition, and cash flows*" on page 41. Even if we successfully deliver on contracted services and maintain close relationships with our clients, a number of factors outside of our control could cause the loss of or reduction in business or revenue from our existing clients. These factors include, among other things:

- the business or financial condition of that client or the economy generally;
- a change in strategic priorities by that client, resulting in a reduced level of spending on technology services;
- changes in the personnel at our clients who are responsible for procurement of information technology, or IT, services or with whom we primarily interact;
- a demand for price reductions by that client;
- mergers, acquisitions or significant corporate restructurings involving that client;
- a decision by that client to move work in-house or to one or several of our competitors.

The loss or diminution in business from any of our repeat clients could have a material adverse effect on our revenue from contracts with customers and results of operations. We may not be able to renew our contracts on favourable terms or at all, or to replace any client that elects to terminate or not renew its contract with us, which could materially adversely affect our revenue and thus our results of operations. Further, terminations or delays in engagements may make it difficult to plan our project resource requirements.

**9. We generate a significant portion of our revenues from a limited number of clients, and any loss or reduction of business from these clients could reduce our revenues and materially adversely affect our business, results of operations, financial condition, and cash flows.**

We have derived, and believe that in the foreseeable future we will continue to derive, a significant portion of our revenues from a limited number of clients which may not be the same every year. For instance, revenue from our top five clients amounted to ₹ 3,200.83 million, ₹ 2,815.52 million, and ₹ 3,226.10 million in Fiscals 2019, 2020, and 2021, respectively, representing 51.23%, 36.93% and 40.19% of our revenue from contracts with customers in these periods, respectively. In addition, revenue from one external customer amounted to ₹ 1,261.42 million which represented 15.86% of total revenue from contracts with customers in Fiscal 2021.

Our ability to maintain close relationships with these and other major clients is essential to the growth and profitability of our business. However, the volume and nature of work performed for a specific client is likely to vary from year to year, especially since we are generally not our clients' exclusive IT services provider and we do not have long-term commitments with most of our clients to purchase our services. Also see "*Risk Factors – If our clients terminate contracts with us before completion, negotiate adverse terms of the contract or choose not to renew contracts, it could materially adversely affect our business, results of operations, financial condition, and cash flows.*" on page 35. A major client in one year may not provide the same level of revenues for us in any subsequent year. The IT services we provide to our clients, and the revenues and net income from those services, may decline or vary as the type and quantity of IT services the clients require changes over time. Furthermore, our reliance on any individual client for a significant portion of our revenues may give that client a certain degree of pricing leverage against us when negotiating contracts and terms of service.

In addition, a number of factors other than our performance could cause the loss of or reduction in business or revenues from a client, and these factors are not predictable. For example, a client may decide to reduce spending on technology services or sourcing from us due to a challenging economic environment or other factors, both internal and external, relating to its business, may be involved in a litigation or may wind up. Further, factors which are not in our or our clients' control such as the socio-political situation in a particular country or the outbreak of a contagious disease may also impact our business adversely. These factors, among others, may include clients pursuing a corporate restructuring, facing pricing pressure, changing outsourcing strategy, switching to another IT services provider or returning work in-house.

The loss of any of our major clients, or a significant decrease in the volume of work they outsource to us or the price at which we sell our services to them, could materially adversely affect our business, results of operations, financial condition, and cash flows.

**10. We are exposed to additional risks associated with engaging with government institutions and public sector undertakings including delayed payments that could materially and adversely affect our business, results of operations, financial position and cash flows.**

We generate a portion of our revenue from government institutions and public sector undertakings (including nationalized banks and enterprises). There can be no assurance that such enterprises will continue to place emphasis on cyber-security and digital transformation. In the event of an adverse change in budgetary allocations for such services resulting from a change in government policies or priorities, our business prospects and our financial performance may be adversely affected. Further, contracts with government institutions and public sector undertakings may be subject to extensive internal processes, policy changes, and insufficiency of funds which may lead to lower number of contracts available for bidding or increase in the time gap between invitation for bids and award of the contract. Due to these and other factors, certain terms of such contracts, such as pricing terms, contract period, and use of vendors, are also less flexible than contracts with private companies.

Further, payments from government entities may be subject to delays due to regulatory scrutiny and procedural formalities including with respect to determination on achievement of certain service milestones. To the extent that payments under our contracts with government entities are delayed, our cash flows may be impacted. See "*If we are unable to collect our receivables from our clients, our results of operations and cash flows could be adversely affected.*" on page 41.

In addition, selection as service provider for these projects is undertaken through a tender process, and many of the bids in which we participate are subject to the satisfaction of certain eligibility conditions and performance standards. These include reputation, experience and sufficiency of financial resources, and quality accreditations and certifications associated with the services. While we have satisfied pre-qualification criteria to bid for such

projects in the past, there can be no assurance that we will be able to meet such criteria to bid for these and other similar projects in the future. In addition, such tender processes may be challenged even after contracts have been awarded to us which may result in reputational damage and adversely affect our business, results of operations, financial position and cash flows due to loss of opportunities. Our ongoing projects have been awarded to us for a definite term and the relevant authorities may float tenders for such projects after expiry of the current term. There can be no assurance that we will be awarded such projects at the end of the tender process. Further, in situations where our bids have been successful, there may be delays in award of the projects, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our results of operations, financial condition, and cash flows.

***11. We operate in an evolving industry, which makes it difficult to evaluate our future prospects and may increase the risk that we will not continue to be successful in cyber-security and digital transformation solutions. If we are not successful, it could materially adversely affect our business, reputation and cash flows.***

The technology services industry is competitive and continuously evolving, subject to rapidly changing demands and constant technological developments. As a result, success and performance metrics are difficult to predict and measure in our industry. As services and technologies are rapidly evolving and each company within the industry can vary greatly in terms of the services it provides, its business model, and its results of operations, it can be difficult to predict how any company's services, including ours, will be received in the market. While businesses have been incurring significant expenditure in the past to adopt emerging technologies and related technological trends, there can be no assurance that they will continue to do so in the future.

Our revenues, operating results and profitability have varied in the past and are likely to vary in the future. Factors that are likely to cause these variations include:

- the number, timing, scope and contractual terms of services for which we are engaged;
- delays in project commencement or staffing delays due to difficulty in assigning appropriately skilled or experienced IT professionals;
- the accuracy of estimates of resources, time and fees required to complete fixed-price contracts and costs incurred in the performance of each contract;
- changes in pricing in response to client demand and competitive pressures;
- the business decisions of our clients regarding the use of our services;
- the ability to further grow revenues from existing clients;
- the available leadership and senior technical resources compared to junior engineering resources staffed on each project;
- seasonal trends, primarily our hiring cycle and the budget and work cycles of our clients;
- delays or difficulties in expanding our operational facilities or infrastructure;
- the ratio of fixed-price contracts to time-and-materials contracts in process;
- employee wage levels and increases in compensation costs, including timing of promotions and annual pay increases;
- unexpected changes in the utilization rate of our personnel;
- unanticipated contract or project terminations;
- the timing of collection of accounts receivable;
- the continuing financial stability of our clients; and
- general economic conditions.

Our future profits may vary substantially from those of other companies and those we have achieved in the past. One or any combination of the above factors may cause our clients' demand for our services to decline as a result of which our business may suffer and our results of operations, financial condition, and cash flows may be adversely affected.

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

On March 14, 2020, India declared COVID-19 as a ‘notified disaster’ and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices.

The scale of the pandemic and the speed at which the local and global community has been impacted, has affected our quarterly and annual revenue growth rates and expenses as a percentage of our revenues, particularly, in Fiscal 2021, and may differ significantly from our historical rates, and our future operating results may fall below expectations. The impact of the pandemic on our business, operations and future financial performance have included and may include the following: service disruptions at client premises due to closure of premises, resulting in delay in meeting certain of our commitments towards clients; disruptions in our supply chain as orders placed by us on our OEM partners could not be processed and product deliveries were interrupted which delayed installations, while we continued to incur rentals at warehouses; temporary decline in availability of workforce due to employees in client facing roles returning to their hometowns, and restrictions on certain of our employees from commuting to their places of work.

Any resulting financial impact due to the above cannot be reasonably estimated at this time. The extent to which the COVID-19 impacts our business and results will depend on future developments, which are highly uncertain and cannot be predicted, such as new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. In addition, we cannot predict the impact that the COVID-19 pandemic will have on our clients other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events.

We have considered internal and external information (including estimates of possible effect from the ongoing Covid 19 pandemic) while finalizing various estimates including recoverability of assets in relation to our financial conditions, results of operations and liquidity. However, as of the date of this Draft Red Herring Prospectus, there is significant uncertainty relating to the severity of long-term adverse impact of the COVID-19 pandemic on the global economy, global financial markets and the Indian economy, and we are unable to accurately predict the long-term impact of the COVID-19 pandemic on our business. To the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this “*Risk Factors*” section.

### ***13. Claims by others that we infringe their proprietary technology or other rights could harm our business.***

As a technology company, we are exposed to allegations of patent infringement or other violations of intellectual property rights. In addition, patent holding companies seek to monetize patents they have purchased or otherwise obtained. As we face increasing competition and gain an increasingly higher profile, the possibility of intellectual property rights claims against us grows. Third parties may assert claims against our clients or vendors, whom our standard license and other agreements obligate us to indemnify against claims that our products infringe the intellectual property rights of third parties. Many of our competitors and others may now and in the future have significantly larger and more mature patent portfolios than we may have. In addition, future litigation may involve patent holding companies or other patent owners who have no relevant product offerings or revenue and against whom our own patents, if any, may therefore provide little or no deterrence or protection. Any claim of intellectual property infringement by a third party, even a claim without merit, could cause us to incur substantial costs defending against such claim, could distract our management from our business and could require us to cease use of such intellectual property. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by the discovery process.

Although third parties may offer a license to their technology or other intellectual property, the terms of any offered license may not be acceptable, and the failure to obtain a license or the costs associated with any license could cause our business, results of operations, financial condition, and cash flows to be materially and adversely affected. We may also be subject to additional fees or be required to obtain new licenses if any of our licensors allege that we have not properly paid for such licenses or that we have improperly used the technologies under such licenses. In addition, some licenses may be non-exclusive, and therefore our competitors may have access to the same technology licensed to us. If a third party does not offer us a license to its technology or other intellectual property on reasonable terms, or at all, we could be enjoined from continued use of such intellectual property. As



a result, we may be required to develop alternative, non-infringing technology, which could require significant time (during which we could be unable to continue to offer our affected solutions), effort, and expense and may ultimately not be successful. Further, a successful claimant could secure a judgment or we may agree to a settlement that prevents us from performing certain services or that requires us to pay substantial damages, royalties or other fees. Any of these events could harm our business, results of operations, financial condition, and cash flows.

**14. There are outstanding litigation proceedings against our Company. Any adverse outcome in such proceedings may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.**

There are outstanding legal proceedings against our Company, which are pending at various levels of adjudication before various courts, tribunals and other authorities.

The summary of outstanding matters set out below includes details of tax proceedings and other material pending litigation (as defined in the section “*Outstanding Litigation and Other Material Developments*” on page 365) involving our Company.

*Litigation against our Company*

Type of proceeding	Number of cases	Amount (₹ million)*
Civil** <sup>(1)</sup>	1	63.60
Tax	14	39.56

*\*To the extent quantifiable*

*\*\*In accordance with the Materiality Policy*

*<sup>(1)</sup> Abbott Point of Care Inc. has filed an application before the National Company Law Tribunal, Mumbai Bench for initiation of corporate insolvency resolution process against our Company under Section 9 of the Insolvency and Bankruptcy Code, 2016. For further information, see “*Outstanding Litigation and Other Material Developments*” beginning on page 365.*

There can be no assurance that these legal proceedings will be decided in favour of our Company. In addition, we cannot assure you that no additional liability will arise out of these proceedings. Decisions in such proceedings adverse to our interests may have an adverse effect on our business, results of operations and financial condition.

**15. Disruptions or other business interruptions that affect the availability of cloud, or cloud-based products that we utilize could adversely impact our client relationships as well as our overall business.**

We provide our cloud-based services through third-party data center/ cloud service providers and hosting facilities. While we control and have access to all of the components of our network, we do not control the operation of these hosting facilities. We rely on the owners or operators of these hosting facilities in maintaining the availability of their services, maintenance of their infrastructure, and in providing appropriate backup, disaster recovery and security measures. The owners of the data center hosting facilities have no obligation to renew their agreements with us on commercially reasonable terms, or at all. If we are unable to renew these agreements on commercially reasonable terms, or if one of our data center operators is acquired, we may be required to transfer our servers and other infrastructure to new data center facilities, and we may incur significant costs and possible service interruption in connection with doing so.

Furthermore, we have and will continue to make substantial investments to support growth at our G-SOC and improve the profitability of our cloud-based offerings. If our cloud-based expenses were to increase, our business, results of operations, financial condition, and cash flows may be adversely affected. We may not be able to maintain or achieve cost savings from our investments, which could harm our financial results.

**16. If we are unable to hire, integrate, train, retain, and motivate qualified personnel, our business could suffer.**

Our success depends largely on our ability to continue to hire, integrate, train, and retain qualified and highly skilled personnel. We are substantially dependent on the continued service of our existing engineering personnel because of the complexity and domain experience involved in our offerings. Additionally, any failure to hire, integrate, train, and adequately incentivize our sales personnel or the inability of our recently hired sales personnel to effectively ramp to target productivity levels could negatively impact our growth and operating margins.

Competition for highly skilled personnel, particularly in engineering, is often intense, especially in India.

In addition, technology service companies have been struggling with rising attrition rates (*Source: F&S Report*). The total attrition rates among our workforce was 20.48%, 22.83%, and 19.91% for Fiscals 2019, 2020, and 2021, respectively. We may encounter higher attrition rates in the future. A significant increase in the attrition rate among skilled IT professionals with specialized skills could decrease our operating efficiency and productivity and could lead to a decline in demand for our services. The competition for highly-skilled IT professionals may require us to increase salaries, and we may be unable to pass on these increased costs to our clients. This would increase our operational costs which may adversely affect our business, results of operations, financial condition, and cash flows.

In addition, our ability to maintain and renew existing engagements and obtain new business will depend, in large part, on our ability to attract, train and retain skilled IT professionals, including experienced management IT professionals, which enables us to keep pace with growing demands for outsourcing, evolving industry standards and changing customer preferences. If we are unable to attract and retain the highly skilled IT professionals we need, we may have to forgo projects for lack of resources or be unable to staff projects optimally. Our failure to attract, train and retain IT professionals with the qualifications necessary to fulfil the needs of our existing and future customers or to assimilate new IT professionals successfully could materially adversely affect our business, results of operations, financial condition, and cash flows. Moreover, we may be unable to manage knowledge developed internally, which may be lost in the event of our inability to retain employees.

Our IT professional headcount was 208 as of March 31, 2019, and 632 as of March 31, 2021. There is significant competition for IT professionals in India where our delivery center is located and that such competition is likely to continue for the foreseeable future. Increased hiring by technology companies and increasing worldwide competition for skilled IT professionals may lead to a shortage in the availability of suitable personnel in the locations where we operate and hire. In addition, we compete for such talented individuals not only with other companies in our industry but also with companies in other industries, such as software services, engineering services, financial services and technology generally, among others. High attrition rates of IT professionals would increase our hiring, reskilling, upskilling and training costs and could have an adverse effect on our ability to complete existing contracts in a timely manner, meet customer objectives and expand our business.

***17. False detection of applications, viruses, spyware, vulnerability exploits, data patterns, or URL categories could adversely affect our business.***

The efficacy of our cyber-security solutions depends on our accurate identification and classification of application type, virus, spyware, vulnerability exploits, data, or URL categories. Our classifications of application type, virus, spyware, vulnerability exploits, data, or URL categories may falsely detect, report and act on applications, content, or threats that do not actually exist. This risk is heightened by the inclusion of a “heuristics” feature in our cyber-security solutions, which attempts to identify applications and other threats not based on any known signatures but based on characteristics or anomalies which indicate that a particular item may be a threat. These false positives may impair the perceived reliability of our products and subscriptions and may therefore adversely impact market acceptance of our offerings. If our offerings restrict important files or applications based on falsely identifying them as malware or some other item that should be restricted, this could adversely affect clients’ systems and cause material system failures. Any such false identification of important files or applications could result in damage to our reputation, negative publicity, loss of channel partners, clients and sales, increased costs to remedy any problem, and costly litigation.

***18. An inability to effectively manage our growth and expansion may have a material adverse effect on our business prospects and future financial performance.***

We have experienced stable growth over the past three years. Our total revenue from contracts with customers has increased from ₹ 6,247.72 million in Fiscal 2019 to ₹ 8,027.59 million in Fiscal 2021. However, there can be no assurance that our growth strategy will be successful or that we will be able to continue to expand further, or at the same rate.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategies, include, developing new solutions, expanding our client base, and expanding our presence geographically. For further information, see “*Our Business – Strategies*” on page 155. Our ability to achieve our growth strategies will be subject to a range of factors, including our ability to identify market opportunities and demands and trends in the industry, develop solutions that meet our clients’ requirements, compete with existing companies in our markets, consistently exercise effective quality control, hire and train

qualified personnel. Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategy. We may face increased risks when we enter new markets internationally, and may find it more difficult to hire, train and retain qualified employees in new regions.

Our business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to expand, train, motivate and manage our personnel. There can be no assurance that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Our inability to manage our business and implement our growth strategy could have a material adverse effect on our business, financial condition and profitability.

***19. We may be unable to protect our intellectual property adequately, which could harm our business, results of operations, financial condition, and cash flows.***

We believe that our intellectual property is an essential asset of our business. We rely on a combination of intellectual property laws, trade secret laws, as well as confidentiality procedures and contractual provisions, to establish and protect our intellectual property rights in India and abroad. The efforts we have taken to protect our intellectual property may not be sufficient or effective, and our trademarks, copyrights and patents may be held invalid or unenforceable. Further, our Company does not have patent or other intellectual property registration or protection for any of our proprietary technologies. We may therefore not be effective in policing unauthorized use of our intellectual property, and even if we do detect violations, litigation may be necessary to enforce our intellectual property rights. Any enforcement efforts we undertake, including litigation, could be time-consuming and expensive, could divert management's attention and may result in a court determining that our intellectual property rights are unenforceable. If we are not successful in cost-effectively protecting our intellectual property rights, our business, results of operations, financial condition, and cash flows could be harmed.

***20. If we are unable to collect receivables from, or bill our unbilled receivables to, our clients, our results of operations and cash flows could be materially adversely affected.***

Our business may be impacted by our ability to obtain timely payments from our clients. We maintain allowances against unbilled receivables. Actual losses on client balances could differ from those that we currently anticipate and, as a result, we might need to adjust our allowances. There is no guarantee that we will accurately assess the creditworthiness of our clients. Weak macroeconomic conditions and related turmoil in the global financial system could also result in financial difficulties, including limited access to the credit markets, insolvency, or bankruptcy for our clients, and, as a result, could cause clients to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance, or default on their payment obligations to us. Timely collection of balances also depends on our ability to complete our contractual commitments and bill and collect our contracted revenues. If we are unable to meet our contractual requirements, we might experience delays in collection of and/or be unable to collect our balances, and if this occurs, our results of operations and cash flows could be materially adversely affected. Moreover, in the event of delays in payment from our governmental and quasi-governmental clients, we may have difficulty collecting on receivables owed. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

***21. Our revenues are dependent on a limited number of industry verticals, and any decrease in demand for outsourced services in these industry verticals could reduce our revenues and materially adversely affect our business, results of operations, financial condition, and cash flows.***

A substantial portion of our clients are concentrated in the BFSI and TMT verticals. In Fiscals 2019, 2020 and 2021, revenue from these verticals in the aggregate represented 74.12%, 56.04%, and 58.87% of our revenue from contracts with customers in such periods, respectively. Our business is therefore largely dependent on the demand for our services from clients in this industry.

A downturn in the BFSI sector, a slowdown or reversal of the trend to outsource IT services or the introduction of regulations that restrict or discourage companies from outsourcing could result in a decrease in the demand for our services and adversely affect our business, results of operations, financial condition, and cash flows. For example, consolidation of public sector banks in India has had and may continue to have an impact on the demand for our services and negatively affect our revenues and profitability. Other developments in the BFSI industry may also lead to a decline in the demand for our services and we may not be able to successfully compensate for

such a decline in demand with our offerings in other verticals.

External risks such as global pandemics could also adversely affect the industry verticals that we operate in. For instance, some of our customers have requested for extended payment terms due to the COVID-19 pandemic. For further information, see “*Risk Factors – The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance.*” on page 37. Further, our clients may experience rapid changes in their prospects, substantial price competition and pressure on their profitability. This, in turn, may result in increasing pressure on us from clients in these key industries to lower our prices, which could materially adversely affect our business, results of operations, financial condition, and cash flows.

**22. *We are a company with global operations and subject to risks and uncertainties of conducting business outside India.***

We conduct our business across emerging and developed markets and serve clients across countries in Asia, MEA and South East Asia. The markets in which we operate are diverse and fragmented, with varying levels of economic and infrastructure development and distinct legal and regulatory systems, and do not operate seamlessly across borders as a single or common market. Therefore, we may be subject to risks inherent in doing business in countries other than India, including: risks related to the legal and regulatory environment in non-Indian jurisdictions, including with respect to privacy and data, or repatriation of our revenues or profits from foreign jurisdictions to India; security, and unexpected changes in laws, regulatory requirements and enforcement; challenges caused by distance, language and cultural differences; providing services that appeal to the preferences of users in multiple markets; complex local tax regimes; higher costs associated with doing business in multiple markets; imposition of international sanctions on one or more of the countries in which we operate; potential damage to our brand and reputation due to compliance with local laws, including requirements to provide information to local authorities; fluctuations in currency exchange rates; political, social or economic instability; difficulties in managing global operations and legal compliance costs associated with multiple international locations; and exposure to local banking, currency control and other financial-related risks.

Further, the regulatory regime in some of the territories we operate in continues to evolve at a rapid pace and may be unclear or inconsistent or open to conflicting interpretation. For instance, we have incorporated two subsidiaries in the UAE and are accordingly subject to foreign ownership laws in the UAE which state that nationals of the UAE must, directly or indirectly, be the legal/ registered owners of at least 51% of the share capital of UAE companies and foreign investors cannot acquire more than 49% of such share capital. In order to secure beneficial ownership of our UAE operations above the UAE foreign ownership restriction threshold, we have implemented certain nominee arrangements. Our ownership structure for our subsidiaries incorporated in the UAE could be unilaterally challenged before a UAE court on the basis of the UAE Federal Law no. 17 of 2004, under which a UAE court could decide that our ownership structure for the UAE subsidiaries violate public policy, morals or law in the UAE. In the event our ownership structure for our subsidiaries incorporated in the UAE is successfully challenged, it could result in a loss of revenues from our subsidiaries incorporated in the UAE or the imposition of material fines or cessation of business, which could have a material adverse effect on our business, results of operations, financial condition, and cash flows.

Further, few of our agreements with clients are governed by laws other than Indian law. We cannot assure you that in the event of a dispute under such agreements, we will be able to successfully defend our position, and any adverse decision may adversely impact our financial position, results of operations and cash flows. If we are unable to manage our global operations successfully, our financial results could be adversely affected, which may impact profit margins or make it increasingly difficult for us to conduct business in foreign markets.

We intend to continue to expand our offerings, as well as our client base, within existing regions where we operate and to various other jurisdictions. We may have limited or no experience in marketing, developing and deploying our offerings in such jurisdictions, and may require considerable management attention and resources for managing our growing business across markets. Further, any restriction on repatriation of money to India from countries where we have operations, may result in overexposure on the cash being accumulated for our overseas operations, which may have an adverse impact on our cash flows, results of operations and profitability.

**23. *Exchange rate fluctuations may adversely affect our results of operations as some portion of our revenues and expenditures are denominated in foreign currencies.***

We are exposed to foreign exchange related risks as a portion of our revenue from contracts with customers are

in foreign currency, including the US Dollar. Similarly, a portion of our expenses, including cost of certain equipment sourced from vendors outside India, are denominated in currencies other than Indian Rupees. In Fiscals 2019, 2020 and 2021, expenses in foreign currency represented 6.45%, 2.73% and 2.65%, respectively, of our total expenses in such periods. A significant or frequent fluctuation in the exchange rate between the Indian Rupee and other currencies, may adversely affect our results of operations. The exchange rate between the Indian Rupee and foreign currencies, primarily the USD, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our revenue from offerings overseas will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Accordingly, any appreciation or depreciation of the Indian Rupee against these currencies can impact our results of operations. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards.

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

***24. Our technology alliance partnerships expose us to a range of business risks and uncertainties that could have a material adverse impact on our business and financial results.***

We have entered, and intend to continue to enter, into technology alliance partnerships with third parties to support our future growth plans. Such relationships include technology licensing, joint technology development and integration, and sell-through arrangements. We face a number of risks relating to our technology alliance partnerships that could prevent us from realizing the desired benefits from such partnerships on a timely basis or at all, which, in turn, could have a negative impact on our business and financial results.

Technology alliance partnerships require significant coordination between the parties involved, particularly if a partner requires that we integrate its products with our solutions. This could involve a significant commitment of time and resources by our technical personnel and their counterparts within our technology alliance partner. The integration of products from different companies may be more difficult than we anticipate, and the risk of integration difficulties, incompatible products and undetected programming errors or defects may be higher than the risks normally associated with the introduction of new offerings. It may also be more difficult to market and sell offerings developed through technology alliance partnerships than it would be to market and sell offerings that we develop on our own. Sales and marketing personnel may require special training, as the new offerings may be more complex than our other offerings.

We invest significant time, money and resources to establish and maintain relationships with our technology alliance partners, but we have no assurance that any particular relationship will continue for any specific period. If we lose a significant technology alliance partner, we could lose the benefit of our investment of time, money and resources in the relationship. In addition, we could be required to incur significant expenses to develop a new strategic alliance or to determine and implement an alternative plan to pursue the opportunity that we targeted with the former partner.

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

Some of the financing arrangements entered into by us include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and

operations. These covenants vary depending on the requirements of the financial institution extending such loan, the conditions negotiated under each financing agreement and are in the form of maintenance of certain financial ratios. Considering the transition from previous Indian GAAP to Ind AS, for Fiscal 2021, we have not met compliances with such debt covenants. While we are in the process of raising equity to remediate such non-compliance and/ or obtaining waivers from such lenders, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time.

In addition, some of the corporate actions that require prior consents from certain lenders include, amongst others, changes to the (a) capital structure of our Company, (b) memorandum and/or articles of association of our Company, (c) management control, and (d) directorship or shareholding of the Promoters in our Company. Further, under certain financing agreements, we are also required to get the facility rated from a credit rating agency.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers may lead to acceleration of amounts due under such facilities and triggering of cross default provisions. If the obligations under any of our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing.

***26. If we fail to integrate or manage investments carried out in other companies or businesses efficiently, we may not be able to realize the benefits envisioned for such investments, and our overall profitability and growth plans could be materially adversely affected.***

In the past, we have made selective investments with the objective of expanding our service capabilities and gaining access to new clients. Such investee entities include our Joint Ventures. For further information of such investments and acquisitions, see “*History and Certain Corporate Matters – Details of material acquisitions or divestments in the last ten years*” on page 177. As on the date of this Draft Red Herring Prospectus, we do not hold controlling stake in such investee entities, and furthermore, do not have any definitive agreements with them for collaboration/partnership or sharing, accessing or utilizing their technology/know-how, and accordingly, may not be able to derive the intended benefits from such investments. In the future, we may invest in additional businesses or acquire services/ businesses from entities, that we believe could complement or expand our business. Integrating the operations of these businesses successfully or otherwise realizing any of the anticipated benefits of such investments, including anticipated cost savings and additional revenue opportunities, involves a number of potential challenges. These activities may be time-consuming, and we may encounter unexpected difficulties or incur unexpected costs, including: our inability to achieve the operating synergies anticipated; diversion of management attention from on-going business concerns to integration matters; unforeseen or undisclosed liabilities and integration costs; incurring liabilities from such businesses for infringement of intellectual property rights or other claims for which we may not be successful in seeking indemnification; failing to realize the potential cost savings or other financial benefits and/or the strategic benefits of the investment; and entry into unfamiliar markets.

Target businesses may have liabilities or adverse operating issues that we may have failed to discover through due diligence prior to the investment. In particular, to the extent that prior owners of any businesses or properties failed to comply with or otherwise violated applicable laws or regulations, or failed to fulfil their contractual obligations to clients, we, as the successor, may be financially responsible for these violations and failures and may suffer financial or reputational harm or otherwise be adversely affected. As a result, if we fail to properly evaluate acquisitions or investments, we may not achieve the anticipated benefits of any such acquisitions, and we may incur costs in excess of what we anticipate. The failure to successfully integrate the operations or otherwise to realize any of the anticipated benefits of the investment/ acquisition could seriously harm our results of operations.

***27. Our success depends substantially on the continuing services of our individual Promoters, senior executives and other key personnel. If we are unable to attract and retain senior executives, we may not be able to maintain client relationships and grow effectively, which may adversely affect our business, results of operations, financial condition, and cash flows.***

Our future success heavily depends upon the continued services of our individual Promoters, senior executives and other key employees. If one or more of our senior executives or key employees are unable or unwilling to continue in their present positions, it could disrupt our business operations, and we may not be able to replace

them easily or at all. In addition, we may be unable to retain our senior executives and key personnel or attract and retain new senior executives and key personnel in the future, in which case our business may be severely disrupted, which could materially adversely affect our business, results of operations, financial condition, and cash flows.

If any of our senior executives or key personnel joins a competitor or forms a competing company, we may lose clients, suppliers, know-how and key professionals and staff members to them which may materially adversely affect our business, results of operations, financial condition, and cash flows. Also, if any of our business development managers/ sales personnel, who generally keep a close relationship with our clients, joins a competitor or forms a competing company, we may lose clients, and our revenues may be materially adversely affected. Additionally, there could be unauthorized disclosure or use of our technical knowledge, practices or procedures by such personnel. If any dispute arises between our senior executives or key personnel and us, any non-competition, non-solicitation and non-disclosure provisions in our employment agreements we have with our senior executives or key personnel might not provide effective protection to us. If we cannot attract and retain qualified personnel or effectively formulate or implement appropriate succession plans it may materially adversely affect our business, results of operations, financial condition, and cash flows.

**28. *We incorporate technology from third-parties into our solutions, and our inability to obtain or maintain rights to the technology could harm our business.***

We incorporate technology from third-parties into our solutions. We cannot be certain that our suppliers and licensors are not infringing the intellectual property rights of third-parties or that the suppliers and licensors have sufficient rights to the technology in all jurisdictions in which we may offer our solutions and perform services. Some of our agreements with our suppliers and licensors may be terminated for convenience by them. If we are unable to obtain or maintain rights to any of this technology because of intellectual property infringement claims brought by third parties against our suppliers and licensors or against us, or if we are unable to continue to obtain such technology or enter into new agreements on commercially reasonable terms, our ability to develop and sell solutions and services containing such technology could be severely limited, and our business could be harmed. Additionally, if we are unable to obtain necessary technology from third parties, we may be forced to acquire or develop alternative technology, which may require significant time, cost and effort and may be of lower quality or performance standards. This would limit and delay our ability to offer new or competitive products and increase our costs of production. If alternative technology cannot be obtained or developed, we may not be able to offer certain functionality as part of our solutions and services. As a result, our margins, market share and results of operations could be significantly harmed.

**29. *Our offices, including our Registered and Corporate Office is located on leased or licensed or rented premises. If these leases, leave and license agreements or rental deeds are terminated or not renewed on terms acceptable to us, it could adversely affect our business, financial condition, results of operations, and cash flows.***

All our offices, including our Registered Office which is also our Corporate Office, and our G-SOC, are located on premises that we operate on a leave and license basis. We may not be able to renew or extend these agreements at commercially acceptable terms, or at all. Further, we may be required to re-negotiate rent or other terms and conditions of such agreements. We may also be required to vacate the premises at short notice as prescribed in the lease agreements, and we may not be able to identify and obtain possession of an alternate location, in a short period of time. Occurrence of any of the above events may have a material adverse effect on our business, results of operations, financial condition, and cash flows. Further, any adverse impact on the ownership rights of our landlords may impede our effective future operations. We may also face the risk of being evicted in the event that our landlords allege a breach on our part of any terms under these lease/ leave and license agreements and there is no assurance that we will be able to identify suitable locations to re-locate our operations.

**30. *Negative cash flows from operating activities in the future could adversely affect our cash flow requirements, our ability to operate our business and implement our growth plans, thereby affecting our financial performance.***

We have in the past, and may in future, experience negative cash flows from operating activities. The following table sets forth certain information relating to our cash flows from operating activities for the periods indicated:

Particulars	Fiscal
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	2019 (Proforma)	2020	2021
	(₹million)		
Net cash from / (used in) operating activities	114.87	679.78	(625.20)

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, prospects, results of operations, financial condition, and cash flows may be materially and adversely affected. For further information, see “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” on page 328.

**31. We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialize, may adversely affect our financial condition.**

As of March 31, 2021, our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets that have not been accounted for in our financial statements, were as follows:

Particulars	Amount
	(₹ million)
<b>i. Claims against Group not acknowledged as debts</b>	
Income tax matters pending before tax authorities	7.39
Sales tax demand	23.48
<b>ii. Others</b>	
Bank guarantee	2,007.75
Letter of credit	70.34

For further information on such contingent liabilities as of March 31, 2021, in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, see “*Restated Consolidated Financial Statements – Annexure VII – Note 40: Contingent Liabilities and Capital Commitments*” on page 294.

**32. Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency are based on management estimates and may be subject to change based on various factors, some of which beyond our control. Any changes in the estimated funding requirements could affect our business, results of operations and cash flows.**

We intend to use the Net Proceeds for the purposes described in “*Objects of the Offer*” beginning on page 87. Our funding requirements are based on management estimates and our current business plans and have not been appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. However, the deployment of the Net Proceeds will be monitored by the Monitoring Agency. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as the continuing impact of the COVID-19 pandemic, interest or exchange rate fluctuations, changes in strategy and business environment, increase in input costs, employee expense, logistics and other costs, incremental preoperative expenses, taxes and duties, start-up costs, regulatory costs and other external factors. Accordingly, prospective investors in the Offer will need to rely upon our management’s judgment with respect to the use of the Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and results of operations.

**33. Some of our Joint Ventures and Group Companies operate in the same or similar line of business as our Company, which may lead to real or potential conflicts of interest with our business. Further, our Promoters and certain Directors have interests in other companies, which are in businesses similar to ours, which may result in conflicts of interest.**

Some of our Joint Ventures and Group Companies operate in the same or similar line of business as our Company. Further, our Promoters and certain Directors have interests in other companies, which are in businesses similar to ours, which may result in conflicts of interest. For further details, see the section titled “*Our Subsidiaries and Joint Ventures*”, “*Group Companies*” and “*Our Management*” on pages 180, 211 and 186, respectively. We cannot assure you that our Joint Ventures or Group Companies, will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Further, in cases of conflict, there



can be no assurance that our Promoters or Directors will not favour any of their interests in such other businesses. Any such future conflict, or situations where our Promoters decide to divert opportunities or conduct business through their other business interests, could have a material adverse effect on our business, reputation, results of operations, financial condition, and cash flows.

**34. *Our Company and its Subsidiaries have unsecured loans from its Promoters and members of its Promoter Group that may be recalled by the lenders at any time and our Company may not have adequate funds to make timely payments or at all.***

Our Company and its Subsidiaries have availed loans from its Promoters and members of its Promoter Group, which may be recalled at any time. As of July 31, 2021, the aggregate amount outstanding under such loans availed by our Company amounted to ₹ 570.60 million. Such loans may not be repayable in accordance with any agreed repayment schedule and may be recalled by the Promoters at any time. In the event that any Promoter/member of Promoter Group seeks a repayment of any such unsecured loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations.

**35. *An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

We maintain customary insurance policies for our business including cyber and data security insurance, directors' and officers' management liability insurance, information and communication technology liability insurance, general liability policy, commercial crime insurance policy, fire and burglary risk, and marine insurance policy. Our insurance cover for property, plant and equipment as of March 31, 2019, 2020 and 2021 was ₹ 31.25 million, ₹ 31.25 million and ₹ 171.58 million, respectively, while our net block of property, plant and equipment was ₹ 61.43 million, ₹ 80.88 million and ₹ 75.25 million as of March 31, 2019, 2020 and 2021, respectively. Consequently, our insurance cover as a percentage of net block of property, plant and equipment was 50.87%, 38.64% and 228.01%, as of March 31, 2019, 2020 and 2021, respectively. For further information, see "*Our Business – Insurance*" on page 168.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. We are also required to maintain certain insurance policies under our client agreements, such as workers' compensation, professional liability insurance and commercial liability insurance under our client agreements. Our insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial condition may be adversely affected.

**36. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have in entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. These transactions include remuneration to executive Directors and Key Managerial Personnel. No dividends have been declared as of this Draft Red Herring Prospectus. For further information relating to our related party transactions, see "*Summary of the Offer Document – Summary of Related Party Transactions*" on page 27. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future. Such related party transactions may potentially involve conflicts of interest.

In Fiscals 2019, 2020, and 2021, the pre-inter company elimination arithmetical absolute aggregate total of such related party transactions was ₹ 1,108.89 million, ₹ 981.51 million and ₹ 717.09 million, respectively. The percentage of the pre-inter company elimination arithmetical absolute aggregate total of such related party

transactions to our revenue from contracts with customers in Fiscals 2019, 2020 and 2021, was 17.75%, 12.88% and 8.93%, respectively. For further information on our related party transactions, see “*Summary of the Offer Document – Summary of Related Party Transactions*” on page 27. We cannot assure you that such transactions in the future, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

***37. A portion of the Net Proceeds may be utilized for repayment or pre-payment of a loan availed by our Company from Axis Finance Limited, which is an affiliate of Axis Capital Limited, one of the Managers.***

We propose to repay or pre-pay a loan availed by our Company from Axis Finance Limited from the Net Proceeds. The Board of Directors of our Company has chosen the loans and facilities to be repaid/prepaid based on commercial considerations. For further details see “*Objects of the Offer*” on page 87. Axis Finance Limited is an affiliate of Axis Capital Limited, one of our Managers and is not an associate of our Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. As the loan sanctioned to our Company by Axis Finance Limited was done as part of their lending activities in the ordinary course of business, we do not believe that there is any conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations. However, there can be no assurance that the repayment/prepayment of such loans from the Net Proceeds to an affiliate of one of the Book Running Lead Managers will not give rise to, or be perceived as a current or potential conflict of interest.

***38. We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the net proceeds from the Offer for Sale.***

The Offer consists of an Offer for Sale. The Selling Shareholders, who include the Promoters of our Company, shall be entitled to the net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses, and our Company will not receive any proceeds from the Offer for Sale.

***39. After the completion of the Offer, our Promoters along with the Promoter Group will continue to collectively hold substantial shareholding in our Company.***

As on the date of this Draft Red Herring Prospectus, our Promoters and members of the Promoter Group hold 100.00% of the share capital of our Company, for details of their shareholding pre and post Offer, see “*Capital Structure*” on page 75. After the completion of the Offer, our Promoters along with the Promoter Group will continue to collectively hold substantial shareholding in our Company, and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders’ approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoters as our controlling shareholder could conflict with our interests or the interests of its other shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further details in relation to the interests of our Promoters in the Company, please see “*Our Promoters and Promoter Group*”, “*Our Management*” on pages 205 and 186 respectively.

***40. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have availed the services of an independent third party research agency, Frost & Sullivan, to prepare an industry report titled “*Global Information Technology Services Market*” dated August 10, 2021, for purposes of inclusion of such information in this Draft Red Herring Prospectus. The report is a paid report, and is subject to various limitations and based upon certain assumptions that are subjective in nature. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no

assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

***41. Certain Promoters, Directors and Key Managerial Personnel, are interested in our Company's performance in addition to their remuneration and reimbursement of expenses.***

Certain of our Promoters, Directors and Key Managerial Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, and such interests are to the extent of their shareholding in our Company (and benefits including dividend distribution rights thereon), and any granted employee stock options held by them under the ESOP 2021. Further, our Promoters are interested in our Company with respect to repayment of the unsecured loans advanced to our Company aggregating to ₹ 445.60 million as on March 31, 2021. For the payments that are made by our Company to certain Promoter Group entities, Group Companies and other related parties, see “*Summary of the Offer Document – Summary of Related Party Transactions*” on page 27. We cannot assure you that our Promoters and Directors will exercise their rights to the benefit and best interest of our Company. As shareholders of our Company, our Promoters, Directors or Key Managerial Personnel, may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders.

***42. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our Company has not declared dividends in the past. Further, our Board has adopted a dividend policy at their meeting held on August 2, 2021. For further information, see “*Dividend Policy*” on page 218. Our ability to pay dividends in the future will depend on a number of factors identified in the dividend policy of our Company, liquidity position, profits, capital requirements, financial commitments and financial requirements including business expansion plans, cost of borrowings, other corporate actions and other relevant or material factors considered relevant by our Board, and external factors, such as the state of the economy and capital markets, applicable taxes including dividend distribution tax, regulatory changes and other relevant or material factors considered relevant by our Board. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders’ investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

***43. Our customers may engage in certain transactions in or with countries or persons that are subject to U.S. and other sanctions.***

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organizations also administer similar economic sanctions. While we have implemented internal controls to ensure compliance with applicable sanctions regulations and restrictions, since we carry on business with clients with global operations, we may not have any control over whether such clients transact business with entities subject to such sanctions regimes. Although we do believe that our operations are not in violation of any applicable sanctions regimes, if it were determined that our clients are involved in transactions that are in violation of any such sanctions regimes, we could be subject to penalties, and our reputation and future business prospects could be adversely affected.

## **External Risk Factors**

### ***Risks Relating to India***

***44. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors’ reactions to developments in one country may have adverse effects

on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, results of operations, financial condition, and cash flows, and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

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

***45. A slowdown in economic growth in India could cause our business to suffer.***

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition, and cash flows, and the trading price of the Equity Shares.

India's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

India has from time to time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy.

Other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India.

***46. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.***

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and

man-made disasters, including 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, results of operations, financial condition, and cash flows. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to whom we export our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

***47. A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our borrowing costs depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020; and from BBB "stable" to BBB "negative" by DBRS in May 2020. India's sovereign ratings from S&P is BBB-with a "stable" outlook. Any such adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

***48. Financial instability in other countries may cause increased volatility in Indian financial markets.***

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

Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, results of operations, financial condition, and cash flows. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material

adverse effect on our business, results of operations, financial condition, and cash flows and reduce the price of the Equity Shares.

**49. *If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.***

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

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

Further, the Government of India has notified the Finance Act, 2021 (“**Finance Act**”) which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

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

**50. *Financial difficulty and other problems in certain financial institutions in India could have a material adverse effect on our business, results of operations, cash flows and financial condition.***

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as “systemic risk”, may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business.

**51. *If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our clients thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our clients. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and

it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

**52. *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.

**53. *A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.***

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

**54. *Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Board Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a law suit in India.***

Our Company is a company incorporated under the laws of India. Majority of our Company's Directors and officers are residents of India and a majority of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India.

***Risks Relating to the Equity Shares and this Offer***

**55. *The trading volume and market price of the Equity Shares may be volatile following the Offer.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

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

The Offer Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. This price will be based on numerous factors, as described under “*Basis for the Offer Price*” on page 97 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

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

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

***58. There is no guarantee that our Equity Shares will be listed on the stock exchanges in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer.

In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the stock exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

***59. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors’



book entry, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately six Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

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

**61. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.**

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions or at all.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 410.

**62. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.**

Our Restated Consolidated Financial Statements have been derived from the audited consolidated financial statements of the Company together with Subsidiaries and Joint Ventures as at and for the year ended March 31, 2021 prepared in accordance with Ind AS and as at and for the year ended March 31, 2020 and 2019 prepared in accordance with Indian GAAP and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our

financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

***63. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and 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 before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

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

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

***65. The requirements of being a publicly listed company may strain our resources.***

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

## SECTION IV – INTRODUCTION

### THE OFFER

The following table summarizes details of the Offer:

<b>Offer of Equity Shares<sup>(1)(2)^</sup></b>	Up to [●] Equity Shares, aggregating up to ₹ 8,000.00 million
<i>of which:</i>	
<b>Fresh Issue<sup>(1)^</sup></b>	Up to [●] Equity Shares, aggregating up to ₹ 3,000.00 million
<b>Offer for Sale<sup>(2)</sup></b>	Up to [●] Equity Shares, aggregating up to ₹ 5,000 million
<i>Which includes:</i>	
<b>Employee Reservation Portion<sup>(3)</sup></b>	Up to [●] Equity Shares, aggregating up to ₹ [●] million
<b>Net Offer</b>	Up to [●] Equity Shares, aggregating up to ₹ [●] million
<b>The Net Offer comprises of:</b>	
<b>A) QIB Portion<sup>(4)(5)</sup></b>	Not less than [●] Equity Shares
<i>of which:</i>	
(i) <b>Anchor Investor Portion</b>	Up to [●] Equity Shares
(ii) <b>Balance QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)</b>	[●] Equity Shares
<i>of which:</i>	
(a) <b>Available for allocation to Mutual Funds only (5% of the Net QIB Portion)</b>	[●] Equity Shares
(b) <b>Balance for all QIBs including Mutual Funds</b>	[●] Equity Shares
<b>B) Non-Institutional Portion</b>	Not more than [●] Equity Shares
<b>C) Retail Portion<sup>(6)</sup></b>	Not more than [●] Equity Shares
<b>Pre and post-Offer Equity Shares</b>	
<b>Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)</b>	72,522,780 Equity Shares
<b>Equity Shares outstanding after the Offer</b>	[●] Equity Shares
<b>Use of Net Proceeds</b>	See “ <i>Objects of the Offer</i> ” on page 87. Our Company will not receive any proceeds from the Offer for Sale.

<sup>^</sup> Our Company, in consultation with the Managers, may consider a Pre-IPO Placement. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the Managers and completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company.

- (1) The Offer has been authorized by a resolution of our Board dated August 2, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated August 3, 2021.
- (2) The Equity Shares being offered by each of the Promoter Selling Shareholders are eligible for being offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. Prakash Jain, Manjula Jain Family Trust and Prakash Jain Family Trust, the Promoter Selling Shareholders have consented to participate in the Offer for Sale pursuant to their respective consent letters each dated August 2 2021, respectively, and have consented to offer such number of Equity Shares aggregating up to ₹ 1,310.80 million, ₹ 917.70 million and up to ₹ 2,771.50 million, respectively, in the Offer for Sale.

- (3) *In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any in the Employee Reservation Portion (after allocation up to ₹ 500,000), shall be added to the Net Offer. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. For further details, see “Offer Structure” on page 387. Our Company and the Promoter Selling Shareholders may, in consultation with the Managers, offer an Employee Discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share), which shall be announced two Working Days prior to the Bid/Offer Opening Date.*
- (4) *Our Company and the Promoter Selling Shareholders may, in consultation with the Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bid, subject to valid Bids being received at or above the Offer Price. For details, see “Offer Procedure” beginning on page 392.*
- (5) *Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the Managers and the Designated Stock Exchange. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids. Any undersubscription in the Employee Reservation Portion shall be added to the Net Offer. In the event of an under-subscription in the Offer, subject to receipt of minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, our Company and the Managers shall first ensure Allotment of Equity Shares offered pursuant to the Fresh Issue, followed by Allotment of Equity Shares offered by the Promoter Selling Shareholders.*
- (6) *Allocation to Bidders in all categories, except Anchor Investors, if any and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see “Offer Procedure” on page 392.*

For details, including in relation to grounds for rejection of Bids, refer to “Offer Structure” and “Offer Procedure” on page 387 and 392, respectively. For details of the terms of the Offer, see “Terms of the Offer” on page 383.

## **SUMMARY FINANCIAL INFORMATION**

*The following tables provide the summary of financial information of our Company derived from the Restated Consolidated Financial Statements as at and for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019 (proforma).*

*The Restated Consolidated Financial Statements referred to above is presented under “Financial Information” beginning on page 219. The summary of financial information presented below should be read in conjunction with the Restated Consolidated Financial Statements, the notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 328.*

*[The remainder of this page has intentionally been left blank]*

## Consolidated Summary Statement of Assets and Liabilities

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	75.25	80.88	61.43
(b) Capital work in progress	4.01	-	-
(c) Goodwill	47.61	-	-
(d) Intangible assets	10.34	1.12	0.36
(e) Right of use assets	39.59	66.06	53.17
(f) Investment in joint ventures	215.30	196.63	182.77
(g) Financial assets			
(i) Investments	30.92	29.58	29.99
(ii) Other financial assets	273.77	247.56	173.77
(h) Other non-current assets	29.83	13.50	45.38
(i) Deferred tax asset (net)	326.26	344.87	237.14
(j) Income tax assets (net)	162.49	55.82	55.83
	<b>1,215.37</b>	<b>1,036.02</b>	<b>839.84</b>
<b>Current assets</b>			
(a) Inventories	299.05	282.37	241.26
(b) Financial assets			
(i) Investments	-	0.52	6.42
(ii) Trade receivables	4,414.52	3,818.68	3,408.44
(iii) Cash and cash equivalents	86.11	736.94	15.99
(iv) Other balances with bank	297.21	205.20	174.69
(v) Loans	-	-	35.10
(vi) Other financial assets	24.35	23.72	36.69
(c) Other current asset	399.34	357.45	166.11
(d) Current tax assets (net)	0.69	0.10	-
<b>Total current assets</b>	<b>5,521.27</b>	<b>5,424.98</b>	<b>4,084.70</b>
<b>Total assets</b>	<b>6,736.64</b>	<b>6,461.00</b>	<b>4,924.54</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	60.44	60.44	60.44
(b) Other equity	1,082.53	663.60	469.93
<b>Total equity</b>	<b>1,142.97</b>	<b>724.04</b>	<b>530.37</b>
<b>Non-current liabilities</b>			
(a) Contract liabilities	569.75	486.27	82.48
(b) Financial liabilities			
(i) Lease liabilities	15.37	36.24	22.09
(ii) Other financial liabilities	18.31	-	-
(c) Provisions	20.62	14.44	12.53
<b>Total non-current liabilities</b>	<b>624.05</b>	<b>536.95</b>	<b>117.10</b>
<b>Current liabilities</b>			
(a) Contract liabilities	439.39	565.09	437.34
(b) Financial liabilities			
(i) Borrowings	638.13	493.52	290.58
(ii) Lease liabilities	25.99	29.59	28.92
(iii) Trade payables			

Particulars	(₹ in million)		
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
- total outstanding dues of micro enterprises and small enterprises	175.45	172.27	84.84
- total outstanding dues of creditors other than micro enterprises and small enterprises	3,625.65	3,731.98	3,197.15
(iv) Other financial liabilities	10.98	26.44	-
(c) Provisions	17.08	12.31	4.78
(d) Current tax liabilities (net)	-	38.59	0.59
(e) Other current liabilities	36.95	130.22	232.87
<b>Total current liabilities</b>	<b>4,969.62</b>	<b>5200.01</b>	<b>4277.07</b>
<b>Total liabilities</b>	<b>5,593.67</b>	<b>5,736.96</b>	<b>4,394.17</b>
<b>Total equity and liabilities</b>	<b>6,736.64</b>	<b>6,461.00</b>	<b>4,924.54</b>

## Consolidated Summary Statement of Profit and Loss

(₹ in million)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019 (Proforma)
<b>Income</b>			
Revenue from contracts with customers	8,027.59	7,623.31	6,247.72
Other income	111.39	58.04	36.83
<b>Total Income (I)</b>	<b>8,138.98</b>	<b>7,681.35</b>	<b>6,284.55</b>
<b>Expenses</b>			
Cost of material and services consumed			
Purchase of IT products and Solutions	4,707.74	5,081.48	3,645.02
Cost of support services for IT products and solutions	1,706.28	1,256.63	1,268.17
Changes in inventories	(16.69)	(41.10)	(44.92)
Employee benefit expenses	762.29	495.89	757.44
Depreciation and amortisation expense	52.73	46.51	34.65
Impairment losses on financial instrument	73.53	81.26	53.11
Finance cost	91.17	110.43	66.49
Other expenses	291.15	364.11	307.56
<b>Total Expenses (II)</b>	<b>7,668.20</b>	<b>7,395.21</b>	<b>6,087.52</b>
<b>Restated profit before share of profit of joint venture and tax expense (III)= (I-II)</b>	<b>470.78</b>	<b>286.14</b>	<b>197.03</b>
Share of profit of joint venture (Net of income tax) (IV)	18.66	14.18	1.47
<b>Restated profit before tax (V) = (III + IV)</b>	<b>489.44</b>	<b>300.32</b>	<b>198.50</b>
<b>Tax expense/(benefit)</b>			
Current tax	110.38	210.50	149.50
Deferred tax	18.16	(107.26)	6.40
Tax expense relating to earlier years	(0.59)	-	(0.01)
<b>Income tax expense</b>	<b>127.95</b>	<b>103.24</b>	<b>155.89</b>
<b>Restated profit for the year (VII)=(V-VI)</b>	<b>361.49</b>	<b>197.08</b>	<b>42.61</b>
<b>Other comprehensive income/(loss)</b>			
A (i) Items that will not be reclassified to profit and loss account			
Re-measurement gains/ (losses) on defined benefit plans	0.46	(3.56)	(0.54)
(ii) Income tax relating to these items	(0.11)	0.88	0.14
B (i) Items that will be reclassified to profit or loss			
Equity Investment measured at FVOCI	1.34	(0.41)	-



(₹ in million)

<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>	<b>Year ended 31 March 2019 (Proforma)</b>
Translation differences related to foreign operations	1.66	(1.93)	6.19
(ii) Income tax relating to these items	(0.34)	0.10	-
<b>Restated total other comprehensive income/ (loss) for the year, net of tax (VIII)</b>	<b>3.01</b>	<b>(4.92)</b>	<b>5.79</b>
<b>Restated total comprehensive income for the year, net of tax (IX)=(VII+VIII)</b>	<b>364.50</b>	<b>192.16</b>	<b>48.40</b>

## Consolidated Summary Statement of Cash Flows

(₹ in millions)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019 (Proforma)
<b>Cash flow from operating activities</b>			
<b>Restated net profit before tax</b>	470.78	286.14	197.03
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense	52.73	46.51	34.65
Finance cost	91.17	110.43	66.49
Interest income	(37.20)	(30.54)	(22.28)
Lease concession due to Covid	(2.69)	-	-
Dividend income	(0.01)	(1.01)	(0.34)
Employee stock option plan compensation expense	54.43	-	-
Unrealised exchange (gain)/loss	(2.91)	16.27	(0.04)
(Gain)/loss on disposal of property plant and equipment	0.98	(0.73)	-
Gain on sale of investments	(7.57)	(0.38)	(0.05)
Sundry balances written back (net)	(51.71)	(7.14)	(2.08)
Impairment losses on financial instruments	73.53	81.26	53.11
Provision for doubtful advances	-	5.10	4.34
Impairment of goodwill on consolidation of a subsidiary	-	-	8.41
<b>Operating profit before working capital changes</b>	<b>641.53</b>	<b>505.91</b>	<b>339.24</b>
<b>Working capital adjustments</b>			
(Increase) in Inventories	(16.68)	(41.11)	(49.34)
(Increase) in Trade receivables	(669.36)	(496.60)	(1,400.98)
(Increase)/Decrease in Other financial assets	(25.51)	(59.52)	5.69
(Increase) in Loans and Other assets	(155.11)	(146.89)	(180.15)
Increase/(Decrease) in Trade payable	(51.44)	629.40	1,595.27
Increase/(Decrease) in Contract liabilities	(42.22)	531.54	(113.10)
Increase/(Decrease) in Other financial liabilities	31.10	26.44	-
Increase/(Decrease) in Other liabilities & provisions	(81.87)	(96.76)	102.76
<b>Cash generated from / (Used in) operations</b>	<b>(369.56)</b>	<b>852.41</b>	<b>299.39</b>
Income tax paid	(255.64)	(172.63)	(184.52)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(625.20)</b>	<b>679.78</b>	<b>114.87</b>

(₹ in millions)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019 (Proforma)
<b>Cash flows (used in) investing activities</b>			
Purchase of property, plant and equipment & intangibles (including CWIP and assets acquired in business combination)	(109.21)	(39.63)	(8.79)
Proceeds from of sale of property, plant and equipment	0.77	1.18	-
Purchase of current investments - mutual fund units	(570.01)	(336.51)	(0.22)
Sale of current investments - mutual fund units	578.10	342.83	-
Investment in unquoted equity shares and Joint ventures	-	-	(147.01)
Dividend income	0.01	1.01	0.34
Interest received	40.75	21.61	25.28
<b>Net cash flows from / (used in) investing activities (B)</b>	<b>(59.59)</b>	<b>(9.51)</b>	<b>(130.40)</b>
<b>Cash flow from Financing activities</b>			
Interest paid	(88.32)	(105.14)	(61.87)
Repayment of interest on lease liabilities	(4.20)	(5.30)	(4.61)
Repayment of principle lease liabilities	(22.70)	(23.62)	(15.56)
Proceeds from borrowings	144.60	202.94	(6.12)
<b>Net cash flows from / (used in) financing activities ( C)</b>	<b>29.38</b>	<b>68.88</b>	<b>(88.16)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(655.41)</b>	<b>739.15</b>	<b>(103.69)</b>
Cash and cash equivalents at the beginning of the year	736.94	15.99	113.46
Add: Translation adjustment in cash and cash equivalents	4.58	(18.20)	6.22
Cash and cash equivalents at the year end	<b>86.11</b>	<b>736.94</b>	<b>15.99</b>

## GENERAL INFORMATION

### Registered and Corporate Office of our Company

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

#### Inspira Enterprise India Limited

Unit No. 23, Level 2,  
Kalptaru Square,  
Kondivita Lane,  
Ramakrishna Mandir Road,  
Andheri (East),  
Mumbai- 400 059  
Telephone: +91 22 4056 9999  
Website: www.inspiraenterprise.com

For details of the changes in our registered office, see “*History and Certain Corporate Matters-Change in the Registered Office*” at page 174.

### Company Registration Number and Corporate Identity Number

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

- a. Registration number: 187215
- b. Corporate identity number: U40109MH2008PLC187215

### The Registrar of Companies

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

100, Everest,  
5<sup>th</sup> Floor  
Marine Drive,  
Mumbai- 400 002

### Filing

A copy of this Draft Red Herring Prospectus has been filed electronically on SEBI’s online portal at <https://sipotal.sebi.gov.in> and at [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in), in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD”, and has also been uploaded on the SEBI intermediary portal at <https://siportal.sebi.gov.in> as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC.

### Board of Directors

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

Name and designation on the Board	DIN	Address
Prakash Jain, Executive Director and Chairman	00482154	Plot-26, Manjul Villa, Vitthal Nagar, JVPD Scheme, Juhu, Mumbai-400 049, Maharashtra, India

<b>Name and designation on the Board</b>	<b>DIN</b>	<b>Address</b>
Chetan Jain, Managing Director	00183390	Plot No. 26, Manjul Villa, Vithal Nagar CHS, 10 <sup>th</sup> / 12 <sup>th</sup> Cross Road, JVPD Juhu, Mumbai- 400 049, Maharashtra, India
Vishal Jain, Joint Managing Director	02991811	Plot-26, Manjul Villa, Vitthal Nagar, 10 <sup>th</sup> Road, JVPD Scheme, Juhu, Mumbai- 400 049, Maharashtra, India
Jigar Jain, Non-Executive Director	00322278	Plot No. 26, Vithal Nagar CHS, Vile Parle (West), Mumbai- 400 049, Maharashtra, India
Appen Menon, Independent Director	09142076	23 Dogwood Road, Searingtown, New York USA, 11507
Manju Agarwal, Independent Director	06921105	Flat No. 14254, ATS One Hamlet Gh 01, Sector 104, Gautam Buddha Nagar, Noida, Uttar Pradesh - 201301
Vijay Bhatt, Independent Director	00751001	2/1 Palacimo, Indranarayan Road, Santacruz West Mumbai, Maharashtra- 400054
Matthew Bross, Independent Director	09153088	7 Hillside Court, Wentzville, Missouri, USA - 63385

For further details of our Board of Directors, see “*Our Management-Board of Directors*” on page 186.

#### **Company Secretary and Compliance Officer**

Sachin Poptani is the Company Secretary and Compliance Officer our Company. His contact details are as follows:

Unit no. 23, Level 2,  
Kalptaru Square,  
Kondivita Lane,  
Ramakrishna Mandir Road,  
Andheri (East),  
Mumbai- 400 059  
Telephone: +91 22 4056 9999  
E-mail: investorrelations@inspiraenterprise.com

#### **Global Co-ordinators and Book Running Lead Managers**

##### **Axis Capital Limited**

1<sup>st</sup> Floor, Axis House,  
C-2 Wadia International Center,  
Pandurang Budhkar Marg,  
Worli, Mumbai- 400 025  
Tel: +91 22 4325 2183  
E-mail: [inspira.ipo@axiscap.in](mailto:inspira.ipo@axiscap.in)  
Investor Grievance E-mail: [complaints@axiscap.in](mailto:complaints@axiscap.in)  
Website: [www.axiscapital.co.in](http://www.axiscapital.co.in)  
Contact Person: Ankit Bhatia  
SEBI Registration No.: INM000012029

##### **JM Financial Limited**

7<sup>th</sup> Floor, Cnergy  
Appasaheb Marathe Marg  
Prabhadevi, Mumbai 400 025  
Maharashtra  
Tel: +91 22 6630 3030; + 91 22 6630 3262  
E-mail: [inspira.ipo@jmfl.com](mailto:inspira.ipo@jmfl.com)  
Website: [www.jmfl.com](http://www.jmfl.com)  
Investor Grievance E-mail: [grievance.ibd@jmfl.com](mailto:grievance.ibd@jmfl.com)  
Contact Person: Prachee Dhuri  
SEBI Registration No.: INM000010361

##### **Nomura Financial Advisory and Securities (India) Private Limited**

Ceejay House, Level 11,  
Plot F, Shivsagar Estate,  
Dr. Annie Besant Marg,  
Worli, Mumbai- 400 018  
Tel: +91 22 4037 4037  
E-mail: [inspiraipo@nomura.com](mailto:inspiraipo@nomura.com)  
Website:  
[www.nomuraholdings.com/company/group/asia/india/index.html](http://www.nomuraholdings.com/company/group/asia/india/index.html)

Investor Grievance E-mail: investorgrievances-  
in@nomura.com  
Contact Person: Vishal Kanjani/Ananya Joshi  
SEBI Registration No.: INM000011419

### Book Running Lead Managers

#### SBI Capital Markets Limited

202, Maker Tower 'E',  
Cuffe Parade,  
Mumbai – 400 005  
Tel: +91 22 3012 6776  
Email: inspira.ipo@sbicaps.com  
Website: www.sbicaps.com  
Investor Grievance  
investor.relations@sbicaps.com  
Contact Person: Karan Savardekar / Sambit Rath  
SEBI Registration No.: INM000003531

#### YES Securities (India) Limited

2<sup>nd</sup> Floor, YES Bank House,  
Off Western Express Highway,  
Santacruz East, Mumbai 400 055  
Tel: +91 22 6507 8131  
E-mail: inspira.ipo@ysil.in  
Website: www.yesinvest.in  
E-mail: Investor Grievance E-mail: igc@ysil.in  
Contact Person: Sachin Kapoor/ Lalit Phatak  
SEBI Registration No.: INM000012227

### Syndicate Members

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### Statement of *inter-se* allocation of responsibilities among the Managers

The responsibilities and coordination by the Managers for various activities in the Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing	Axis, JM, Nomura, SBICAP, YES Securities	Axis
2.	Drafting and approval of statutory advertisements	Axis, JM, Nomura, SBICAP, YES Securities	Axis
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	Axis, JM, Nomura, SBICAP, Yes Securities	Nomura
4.	Appointment of intermediaries viz., Registrar's, Printers, Advertising Agency, Syndicate, Sponsor Bank, Bankers to the Offer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	Axis, JM, Nomura, SBICAP, YES Securities	JM
5.	Preparation of road show marketing presentation and frequently asked questions	Axis, JM, Nomura, SBICAP, YES Securities	Nomura
6.	International Institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Institutional marketing strategy;</li> <li>• Finalizing the list and division of international investors for one-to-one meetings; and</li> <li>• Finalizing international road show and investor meeting schedule</li> </ul>	Axis, JM, Nomura, SBICAP, YES Securities	Nomura

Sr. No.	Activity	Responsibility	Co-ordination
7.	Domestic Institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>Institutional marketing strategy;</li> <li>Finalizing the list and division of domestic investors for one-to-one meetings; and</li> <li>Finalizing domestic road show and investor meeting schedule</li> </ul>	Axis, JM, Nomura, SBICAP, YES Securities	Axis
8.	Retail marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>Formulating marketing strategies, preparation of publicity budget;</li> <li>Finalizing media, marketing and public relations strategy;</li> <li>Finalizing centres for holding conferences for brokers, etc.;</li> <li>Finalizing collection centres;</li> <li>Arranging for selection of underwriters and underwriting agreement; and</li> <li>Follow-up on distribution of publicity and offer material including form, Prospectus and deciding on the quantum of the offer material</li> </ul>	Axis, JM, Nomura, SBICAP, YES Securities	JM
9.	Non-Institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>Finalizing media, marketing and public relations strategy; and</li> <li>Finalizing centres for holding conferences for brokers, etc.</li> </ul>	Axis, JM, Nomura, SBICAP, YES Securities	JM
10.	Managing the book and finalization of pricing in consultation with the Company and the Selling Shareholders.	Axis, JM, Nomura, SBICAP, Yes Securities	Nomura
11.	Coordination with Stock-Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor co-ordination and intimation of anchor allocation.	Axis, JM, Nomura, SBICAP, YES Securities	JM
12.	Post- Offer activities, which shall involve essential follow-up with bankers to the Offer and SCSBs to get quick estimates of collection and advising our Company about the closure of the Offer, based on correct figures, finalization of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post- Offer activity such as Registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable and submission of all post Offer reports including the final post Offer report to SEBI and release of 1% security deposit from Stock Exchanges.	Axis, JM, Nomura, SBICAP, YES Securities	JM

#### **Legal Counsel to the Company and the Promoter Selling Shareholders as to Indian law**

##### **Khaitan & Co**

10<sup>th</sup> & 13<sup>th</sup> Floor, Tower 1  
One World Centre  
841, Senapati Bapat Marg  
Mumbai 400 013  
Maharashtra, India  
Telephone: +91 22 6636 5000

#### **Legal Counsel to the Managers as to Indian law**

##### **Shardul Amarchand Mangaldas & Co**

Amarchand Towers  
216, Okhla Industrial Estate Phase III  
New Delhi 110 020  
India

**Tel:** +91 11 4159 0700

**Shardul Amarchand Mangaldas & Co.**

Prestige Sterling Square, Madras Bank Road  
Off Lavelle Road, Bengaluru 560 001  
Karnataka, India  
Tel: +91 80 6674 9999

**International Legal Counsel to the Managers**

**Hogan Lovells Lee & Lee**

50 Collyer Quay  
#10-01 OUE Bayfront  
Singapore 049321  
Tel: +65 6538 0900

**Registrar to the Offer**

**Link Intime India Private Limited**

C- 101, 1<sup>st</sup> Floor, 247 Park  
Lal Bahadur Shastri Marg, Vikhroli (West)  
Mumbai - 400 083  
Maharashtra  
Tel: +91 22 4918 6200  
Email: [inspira.ipo@linkintime.co.in](mailto:inspira.ipo@linkintime.co.in)  
Investor grievance email: [inspira.ipo@linkintime.co.in](mailto:inspira.ipo@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
Contact Person: Shanti Gopalkrishnan  
SEBI Registration No.: INR000004058

**Banker(s) to the Offer**

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**Designated Intermediaries**

***Self-Certified Syndicate Banks***

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RII using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is appearing in the “*list of mobile applications for using UPI in public issues*” displayed on the SEBI website. The said list shall be updated on the SEBI website.

***SCSBs eligible as Issuer Banks for UPI Mechanism***

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.



### ***Syndicate SCSB Branches***

In relation to Bids (other than Bids by Anchor Investors and RIIs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35>, as updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

### ***Registered Brokers***

The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

### ***Registrar and Share Transfer Agents***

The list of the CRTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at [www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx](http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx) and [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, as updated from time to time.

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

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at [www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx](http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx) and [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, as updated from time to time.

### **Statutory Auditor to our Company**

#### **S.R. Batliboi & Associates LLP**

12<sup>th</sup> Floor, The Ruby,  
29 Senapati Bapat Marg, Dadar (West)  
Mumbai 400028, Maharashtra, India  
Telephone +91 22 4912 6000  
E-mail: [srba@srb.in](mailto:srba@srb.in)  
Peer Review No.: 013325  
Firm Registration Number: 101049W/E300004

### **Changes in Auditors**

Except as disclosed above, there has been no change in the auditors of our Company during the three years preceding the date of this Draft Red Herring Prospectus.

<b>Particulars</b>	<b>Date of change</b>	<b>Reason for change</b>
<b>S.R. Batliboi &amp; Associates LLP</b> 12 <sup>th</sup> Floor, The Ruby, 29 Senapati Bapat Marg, Dadar (West) Mumbai 400028, Maharashtra, India Telephone +91 22 4912 6000 E-mail: <a href="mailto:srba@srb.in">srba@srb.in</a> Peer Review No.: 013325 Firm Registration Number: 101049W/E300004	March 10, 2021	Filling casual vacancy
<b>Lodha &amp; Co., Chartered Accountants</b> Address: 6, Karim Chambers, 40 Ambalal Doshi Marg, Fort, Mumbai- 400 001	March 6, 2021	Casual vacancy arising from mutual agreement

Particulars	Date of change	Reason for change
Maharashtra, India Email: mumbai@lodhaco.com Peer Review Certificate No.: 012976 Firm Registration Number: 301051E		

### Expert to the Offer

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

Our Company has received written consent dated August 13, 2021 from S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated August 13, 2021 on our Restated Consolidated Financial Statements; and (ii) their report dated August 13, 2021 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this DRHP. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received a written consent dated August 13, 2021 from our Predecessor Statutory Auditor, namely, Lodha & Co., Chartered Accountants, to include their name in this Draft Red Herring Prospectus as required under Section 26(5) of the Companies Act and as an “expert” as defined under Section 2(38) of the Companies Act in respect of their reports dated December 31, 2020 and November 13, 2019 issued on the audited consolidated financial statements of our Company for the Financial Years ended March 31, 2020 and March 31, 2019 respectively, and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus with the SEBI.

### Bankers to our Company

#### YES Bank Limited

6<sup>th</sup> Floor, Off Western Express Highway  
Santacruz (E), Mumbai – 400055  
Maharashtra, India  
**Telephone:** +91 93226 07477 / 98333 63003  
**Email:** ronak.shah1@yesbank.in / ravi.gupta@yesbank.in  
**Website:** www.yesbank.in  
**Contact person:** Ronak Shah / Ravi Gupta

#### Axis Bank Limited

Matharu Arcade, Plot No. 32  
Subhash Road, Vile Parle East  
Mumbai – 400057  
Maharashtra, India  
**Telephone:** +91 22 2604322  
**Email:** villeparleeast.branchhead@axisbank.com / villeparleeast.operationshead@axisbank.com  
**Website:** www.axisbank.com  
**Contact person:** Prashantha Shetty / Mansi Narvekar

### Grading of the Offer

No credit agency registered with SEBI has been appointed for obtaining grading for the Offer.

### Appraising Entity

No appraising entity has been appointed in relation to the Offer.

### Monitoring Agency

Our Company shall in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency for monitoring the utilization of the Net Proceeds. For details in relation to the proposed utilisation of the Net Proceeds, please see the section entitled “*Objects of the Offer*” on page 87.

## **Credit Rating**

As the Offer is of Equity Shares, credit rating is not required.

## **Debenture Trustee**

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

## **Book Building Process**

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms. The Price Band will be decided by our Company and the Promoter Selling Shareholders, in consultation with the Managers, and if not disclosed in the Red Herring Prospectus, will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders, in consultation with the Managers after the Bid/Offer Closing Date.

All investors, other than Retail Individual Investors and Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. Retail Individual Investors shall participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Investors will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. For further details, see “*Terms of the Offer*” and “*Offer Procedure*” beginning on pages 383 and 392, respectively.

**The Book Building Process and the Bidding process are subject to change from time to time, and the Bidders are advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.**

**Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.**

For further details on the method and procedure for Bidding, see “*Offer Procedure*” beginning on page 392.

## **Underwriting Agreement**

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Promoter Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)*  
*(₹ in million)*

Name, address, telephone and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board/IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the Managers will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

## CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus is set forth below:

(In ₹ except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
<b>A</b>	<b>AUTHORIZED SHARE CAPITAL</b>		
	88,000,000 Equity Shares	440,000,000	-
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER</b>		
	72,522,780 Equity Shares	362,613,900	-
<b>C</b>	<b>PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
	Offer of up to [●] Equity Shares aggregating up to ₹8,000.00 million <sup>(1)(2)</sup>	[●]	[●]
	<i>of which</i>		
	Fresh Issue of [●] Equity Shares aggregating up to ₹3,000.00 million <sup>(1) ^</sup>	[●]	[●]
	Offer for Sale of [●] Equity Shares aggregating up to ₹5,000.00 million <sup>(2)</sup>	[●]	[●]
	<i>of which</i>		
	Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹ [●] million	[●]	[●]
	Net Offer of up to [●] Equity Shares	[●]	[●]
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER*</b>		
	[●] Equity Shares	[●]	-
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Offer		Nil
	After the Offer		[●]

\* To be updated upon finalization of the Offer Price.

^ Our Company, in consultation with the Managers, may consider a Pre-IPO Placement. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the Managers and completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company.

(1) The Offer has been authorized by a resolution of our Board dated August 2, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated August 3, 2021.

(2) The Equity Shares being offered by the Promoter Selling Shareholders are eligible for being offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. Prakash Jain, Manjula Jain Family Trust and Prakash Jain Family Trust, the Promoter Selling Shareholders have consented to participate in the Offer for Sale pursuant to each of their consent letters dated August 2, 2021, and have consented to offer such number of Equity Shares aggregating up to ₹ 1,310.80 million, ₹ 917.70 million and up to ₹ 2,771.50 million, respectively, in the Offer for Sale. For further details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 372.

### Changes in the authorised share capital of our Company

For details of the changes to the authorised share capital of our Company in the past 10 years, see "History and Certain Corporate Matters - Amendments to our Memorandum of Association" on page 175.

### Notes to the Capital Structure

#### 1. Equity share capital history of our Company

The following table sets forth the history of the equity share capital of our Company

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Cumulative No. of equity shares	Face value per equity share (₹)	Issue price per equity share (₹)	Form of consideration
October 1, 2008	Initial subscription to the	10,000	10,000	10	10	Cash

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Cumulative No. of equity shares	Face value per equity share (₹)	Issue price per equity share (₹)	Form of consideration
	MOA <sup>(1)</sup>					
December 21, 2009	Further issue <sup>(2)</sup>	2,290,000	2,300,000	10	10	Cash
March 30, 2010	Further issue <sup>(3)</sup>	2,300,000	4,600,000	10	10	Cash
February 10, 2011	Further issue <sup>(4)</sup>	1,443,565	6,043,565	10	160	Cash
<i>Pursuant to a resolution of our Board passed in their meeting held on May 26, 2021 and a resolution of our Shareholders passed in their extraordinary general meeting held on June 1, 2021, each fully paid up equity share of our Company of face value ₹10 was split into 2 Equity Shares of ₹ 5 each, and accordingly, 6,043,565 equity shares of our Company of ₹10 each were split into 12,087,130 Equity Shares of ₹ 5 each.</i>						
June 28, 2021	Bonus issue <sup>(5)</sup>	60,435,650	72,522,780	5	NA	NA

(1) Allotment of 5,000 equity shares each to Chetan Jain and Prakash Jain as initial subscribers to the MoA.

(2) Allotment of 1,145,000 equity shares each to Prakash Jain and Manjula Jain.

(3) Allotment of 2,300,000 equity shares to Prakash Jain.

(4) Allotment of 1,443,565 equity shares to PM Investments Limited

(5) Bonus issue of 60,435,650 Equity Shares in the ratio of 5 Equity Shares for every 1 Equity Share held by the existing Shareholders as on the record date, i.e., June 18, 2021. Accordingly, allotment of 500,000 Equity Shares to Chetan Jain, 11,000,000 Equity Shares to Prakash Jain, acting for Manjula Jain Family Trust, 33,222,380 Equity Shares to Manjula Jain, acting for Prakash Jain Family Trust, 15,713,240 Equity Shares to Prakash Jain, 10 Equity Shares to Manjula Jain, 10 Equity Shares to Jigar Jain, and 10 Equity Shares to Paridhi Jain.

## 2. Equity shares issued for consideration other than cash or through bonus issue

Except as detailed below, our Company has not issued any equity shares for consideration other than cash or through a bonus issue:

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for allotment	Benefits accrued to the Company
June 28, 2021	60,435,650	5	NA	Bonus issue <sup>(1)</sup>	-

(1) Bonus issue of 60,435,650 Equity Shares in the ratio of 5 Equity Shares for every 1 Equity Share held by the existing Shareholders as on the record date, i.e., June 18, 2021. Accordingly, allotment of 500,000 Equity Shares to Chetan Jain, 11,000,000 Equity Shares to Prakash Jain, acting for Manjula Jain Family Trust, 33,222,380 Equity Shares to Manjula Jain, acting for Prakash Jain Family Trust, 15,713,240 Equity Shares to Prakash Jain, 10 Equity Shares to Manjula Jain, 10 Equity Shares to Jigar Jain, and 10 Equity Shares to Paridhi Jain.

- Our Company has not issued any equity shares out of its revaluation reserves at any time since its incorporation.
- Our Company has not issued any preference shares at any time since its incorporation.
- Our Company has not issued or allotted any equity shares in terms of any scheme of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-232 of the Companies Act, 2013.
- All transactions in Equity Shares by our Promoters and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.
- As on the date of this Draft Red Herring Prospectus, our Company has not made any issuance of Equity Shares under any employee stock option scheme.
- The Offer Price shall be determined by our Company and the Promoter Selling Shareholders, in consultation with the Managers after the Bid/Offer Closing Date. Other than as disclosed at “Capital Structure - Notes to the Capital Structure - Equity shares issued for consideration other than cash or through bonus issue” our Company has not issued any equity shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus

9. *Shareholding pattern of our Company*

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				Number of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	7	72,522,780	-	-	72,522,780	100%	72,522,780	-	72,522,780	100%	-	-	-	-	-	-	72,522,780
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	7	72,522,780	-	-	72,522,780	100%	72,522,780	-	72,522,780	100%	-	-	-	-	-	-	72,522,780

10. **Other details of Shareholding of our Company**

- (a) As on the date of the filing of this Draft Red Herring Prospectus, our Company has seven Shareholders.
- (b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as on the date of filing of this Draft Red Herring Prospectus:

No.	Name of the Shareholder	No. of Equity Shares	Percentage of the Equity Share capital as on the date of this Draft Red Herring Prospectus (%)
1.	Prakash Jain	18,855,888	26.00
2.	Manjula Jain Family Trust (through its trustee, Prakash Jain)	13,200,000	18.20
3.	Prakash Jain Family Trust (through its trustee, Manjula Jain)	39,866,856	54.97

- (c) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as of 10 days prior to the date of filing of this Draft Red Herring Prospectus:

(d)

No.	Name of the Shareholder	No. of Equity Shares	Percentage of the Equity Share capital as of ten days prior to the date of this Draft Red Herring Prospectus (%)
1.	Prakash Jain	18,855,888	26.00
2.	Manjula Jain Family Trust (through its trustee, Prakash Jain)	13,200,000	18.20
3.	Prakash Jain Family Trust (through its trustee, Manjula Jain)	39,866,856	54.97

- (e) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company, on a fully diluted basis, as of one year prior to the date of filing of this Draft Red Herring Prospectus:

No.	Name of the Shareholder	No. of equity shares of face value ₹10 each*	Percentage of the equity share capital as of one year prior to the date of this Draft Red Herring Prospectus (%)*
1.	Prakash Jain	1,571,327	26.00
2.	Manjula Jain Family Trust (through its trustee, Prakash Jain)	1,100,000	18.20
3.	Prakash Jain Family Trust (through its trustee, Manjula Jain)	3,322,238	54.97

\*Total number of equity shares and percentage of such shareholding is without giving effect to the increase in the number of equity shares due to subdivision of share capital of our Company with effect from June 1, 2021.

- (f) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company, on a fully diluted basis, as of two years prior to the date of filing of this Draft Red Herring Prospectus:

No.	Name of the Shareholder	No. of equity shares of face value ₹10 each*	Percentage of the equity share capital as of two years prior to the date of this Draft Red Herring Prospectus (%)*
1.	Prakash Jain	1,571,327	26.00



No.	Name of the Shareholder	No. of equity shares of face value ₹10 each*	Percentage of the equity share capital as of two years prior to the date of this Draft Red Herring Prospectus (%)*
2.	Manjula Jain Family Trust (through its trustee, Prakash Jain)	1,100,000	18.20
3.	Prakash Jain Family Trust (through its trustee, Manjula Jain)	3,322,238	54.97

\*Total number of equity shares and percentage of such shareholding is without giving effect to the increase in the number of equity shares due to subdivision of share capital of our Company with effect from June 1, 2021.

11. Except for Equity Shares or employee stock options that may be granted or allotted pursuant to ESOP 2021 or pursuant to the Fresh Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.
12. Except for the employee stock options that have been granted pursuant to ESOP 2021, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Red Herring Prospectus.

13. **Details of shareholding of our Promoters and members of the Promoter Group**

- (a) As on the date of this Draft Red Herring Prospectus, our Promoters hold 72,522,744 Equity Shares, equivalent to 99.99% of the issued, subscribed and paid-up equity share capital of our Company, as set forth in the table below.

Sr. No.	Name of the Promoter	Pre-Offer Equity Share capital		Post-Offer Equity Share capital*	
		No. of Equity Shares	% of total Equity Share capital	No. of Equity Shares	% of total Equity Share capital
1.	Prakash Jain	18,855,888	26.00	[●]	[●]
2.	Chetan Jain	600,000	0.83	[●]	[●]
3.	Manjula Jain Family Trust (through its trustee, Prakash Jain)	13,200,000	18.20	[●]	[●]
4.	Prakash Jain Family Trust (through its trustee, Manjula Jain)	39,866,856	54.97	[●]	[●]
<b>Total</b>		<b>72,522,744</b>	<b>99.99</b>	[●]	[●]

\* Subject to finalisation of Basis of Allotment

Sr. No.	Name of the Member of Promoter Group	Pre-Offer Equity Share capital		Post-Offer Equity Share capital*	
		No. of Equity Shares	% of total Equity Share capital	No. of Equity Shares	% of total Equity Share capital
1.	Manjula Jain	12	Negligible	[●]	[●]
2.	Jigar Jain	12	Negligible	[●]	[●]
3.	Paridhi Jain	12	Negligible	[●]	[●]
<b>Total</b>		<b>36</b>	<b>Negligible</b>	[●]	[●]

\* Subject to finalisation of Basis of Allotment

- (b) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

(c) **Build-up of the Promoters' shareholding in our Company**

The details of build-up of the shareholding of our Promoters in our Company, other than Vishal Jain who does not hold any Equity Shares, as on the date of this Draft Red Herring Prospectus, is as follows:

### 1. Prakash Jain

Nature of transaction	Date of allotment/ transfer/ transmission	No. of equity shares	Face value (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre- Offer capital (%)^	Percentage of the post- Offer capital (%)
Initial subscription to MoA	October 1, 2008	5,000	10	10	0.01	[•]
Further issue	December 21, 2009	1,145,000	10	10	3.16	[•]
Further issue	March 30, 2010	2,300,000	10	10	6.34	[•]
Transfer from PM Investments Limited	May 30, 2015	1,443,565	10	64.50	3.98	[•]
Transfer to Prakash Jain Family Trust (acting through its trustee Manjula Jain)	July 1, 2019	(3,322,238)	10	Nil	(9.16)	[•]
Transfer to Jigar Jain	May 18, 2021	(3)	10	Nil	Negligible	[•]
<i>Pursuant to a resolution of our shareholders dated June 1, 2021, each equity shares of our Company of face value of ₹10 was sub-divided into 2 equity shares of face value of ₹ 5 each and accordingly 1,571,324 equity shares of ₹10 each held by Prakash Jain were sub-divided into 3,142,648 equity shares of face value of ₹ 5 each.</i>						
Bonus issue	June 28, 2021	15,713,240	5	Nil	21.67	[•]
<b>Total</b>		<b>18,855,888</b>			<b>26.00</b>	<b>[•]</b>

^Adjusted for the sub-division of shares from face value of ₹10 each to ₹5 each.

### 2. Chetan Jain

Nature of transaction	Date of allotment/ transfer/ transmission	No. of equity shares	Face value (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre- Offer capital (%)^	Percentage of the post- Offer capital (%)
Initial subscription to MoA	October 1, 2008	5,000	10	10	0.01	[•]
Transfer from Manjula Jain	March 30, 2010	45,000	10	10	0.12	[•]
<i>Pursuant to a resolution of our shareholders dated June 1, 2021, each equity shares of our Company of face value of ₹10 was sub-divided into 2 equity shares of face value of ₹ 5 each and accordingly 50,000 equity shares of ₹10 each held by Chetan Jain were sub-divided into 100,000 equity shares of face value of ₹ 5 each.</i>						
Bonus issue	June 28, 2021	500,000	5	Nil	0.69	[•]
<b>Total</b>		<b>600,000</b>			<b>0.83</b>	<b>[•]</b>

^Adjusted for the sub-division of shares from face value of ₹10 each to ₹5 each.

### 3. Manjula Jain Family Trust (through its trustee, Prakash Jain)

Nature of transaction	Date of allotment/ transfer/ transmission	No. of equity shares	Face value (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre- Offer capital (%)^	Percentage of the post- Offer capital (%)
Transfer from Manjula Jain	July 1, 2019	1,100,000	10	Nil	3.03	[•]
<i>Pursuant to a resolution of our shareholders dated June 1, 2021, each equity shares of our Company of face value of ₹10 was sub-divided into 2 equity shares of face value of ₹ 5 each and accordingly 1,100,000 equity shares of ₹10 each</i>						

Nature of transaction	Date of allotment/ transfer/ transmission	No. of equity shares	Face value (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre- Offer capital (%)^	Percentage of the post- Offer capital (%)
<i>held by Prakash Jain (in the capacity of being a trustee of Manjula Jain Family Trust) were sub-divided into 2,200,000 equity shares of face value of ₹5 each.</i>						
Bonus issue	June 28, 2021	11,000,000	5	Nil	15.17	[●]
<b>Total</b>		<b>13,200,000*</b>			<b>18.20</b>	<b>[●]</b>

\*Equity Shares are held by Manjula Jain Family Trust, acting through its trustee, Prakash Jain

^Adjusted for the sub-division of shares from face value of ₹10 each to ₹5 each.

#### 4. Prakash Jain Family Trust (through its trustee, Manjula Jain)

Nature of transaction	Date of allotment/ transfer/ transmission	No. of equity shares	Face value (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre- Offer capital (%)^	Percentage of the post- Offer capital (%)
Transfer from Prakash Jain	July 1, 2019	3,322,238	10	Nil	9.16	[●]
<i>Pursuant to a resolution of our shareholders dated June 1, 2021, each equity shares of our Company of face value of ₹10 was sub-divided into 2 equity shares of face value of ₹5 each and accordingly 3,322,238 equity shares of ₹10 each held by Manjula Jain (in the capacity of being a trustee of Prakash Jain Family Trust) were sub-divided into 6,644,476 equity shares of face value of ₹5 each.</i>						
Bonus issue	June 28, 2021	33,222,380	5	Nil	45.81	[●]
<b>Total</b>		<b>39,866,856*</b>			<b>54.97</b>	<b>[●]</b>

\*Equity Shares are held by Prakash Jain Family Trust, acting through its trustee, Manjula Jain

^Adjusted for the sub-division of shares from face value of ₹10 each to ₹5 each.

- (d) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares.
- (e) None of the Equity Shares held by our Promoters are pledged or otherwise encumbered.
- (f) None of the members of the Promoter Group, the Promoters, or the Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus. However, on May 18, 2021 Prakash Jain gifted three Equity Shares to Jigar Jain and on May 19, 2021 Jigar Jain gifted one Equity Share each to Paridhi Jain and Manjula Jain.
- (g) There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

#### 14. Details of Promoters' contribution and lock-in for eighteen months

- (a) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of eighteen months as minimum promoters' contribution from the date of Allotment ("Promoters' Contribution"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer equity share capital shall be locked-in for a period of six months from the date of Allotment.
- (b) Details of the Equity Shares to be locked-in for eighteen months from the date of Allotment as Promoters' Contribution are set forth in the table below.

Name of the Promoter	Date of allotment of the Equity Shares	Nature of transaction	No. of Equity Shares**	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in*	Percentage of the post-Offer paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>						[•]	[•]	

\* Subject to finalisation of Basis of Allotment.

\*\* All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.

(c) Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(d) Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

- The Equity Shares offered for Promoters' Contribution do not include equity shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;
- The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and
- The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge.

#### 15. *Details of Equity Shares locked-in for six months*

In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters and locked in for eighteen months as specified above and Equity Shares offered by the Promoter Selling Shareholders as part of the Offer for Sale, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

#### 16. *Lock-in of Equity Shares Allotted to Anchor Investors*

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

#### 17. *Recording on non-transferability of Equity Shares locked-in*

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

## 18. Other requirements in respect of lock-in

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- (a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- (b) With respect to the Equity Shares locked-in as Promoters' Contribution for eighteen months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months from the date of Allotment, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

## 19. Employee Stock Option Scheme

Our Company has formulated an employee stock option scheme namely the Employee Stock Option Scheme 2021 (the "ESOP 2021") pursuant to the resolutions passed by our Board on January 12, 2021 and by our Shareholders in their general meeting on January 29, 2021 read with the addendum approved by our Board in its meeting held on May 22, 2021, for issue and grant of employee stock options to identified classes of employees, exercisable into not more than 4% of the paid-up capital of the Company. The primary objective of ESOP 2021 is to incentivize the employees and enable the employees to share wealth that they help create for the Company over a period of time.

As on the date of this Draft Red Herring Prospectus, a cumulative of 1,428,120 options have been granted pursuant to ESOP 2021, while no options have vested and none of the options have been exercised.

ESOP 2021 is in compliance with the SEBI SBEB Regulations. The following table sets forth the particulars of ESOP 2021, including options granted as on the date of this Draft Red Herring Prospectus.

Particulars	Details			
	Since April 1, 2021 till the date of the DRHP	Fiscal 2021	Fiscal 2020	Fiscal 2019
Total options outstanding as at the beginning of the period	119,010	Nil	Not Applicable	Not Applicable
Total options granted	Nil (Refer note 1 below)	119,010	Not Applicable	Not Applicable
Exercise price of options in ₹ (as on the date of grant options)	Not Applicable	10 (Refer note 1 below)	Not Applicable	Not Applicable
Options forfeited/lapsed/cancelled	Nil	Nil	Not Applicable	Not Applicable

Particulars	Details			
	Since April 1, 2021 till the date of the DRHP	Fiscal 2021	Fiscal 2020	Fiscal 2019
Variation of terms of options	(Refer note 1 below)	Not Applicable	Not Applicable	Not Applicable
Money realized by exercise of options	Nil	Nil	Not Applicable	Not Applicable
Total number of options outstanding in force (after adjustments for sub-division of shares and bonus issue)	1,428,120 (Refer note 1 below)	1,428,120 (Refer note 1 below)	Not Applicable	Not Applicable
Total options vested (excluding the options that have been exercised)	Nil	Nil	Not Applicable	Not Applicable
Options exercised (since implementation of the ESOP scheme)	Nil	Nil	Not Applicable	Not Applicable
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised) (after adjustments for sub-division of shares and bonus issue)	1,428,120 (Refer note 1 below)	1,428,120 (Refer note 1 below)	Not Applicable	Not Applicable
Employee wise details of options granted to:  (after adjustments for sub-division of shares and bonus issue, refer note 1 & 2 below)				
(i) Key managerial personnel (KMP)				
Key managerial personnel under the Companies Act, 2013	No grants made in this period, however, refer note 1 & 2 below	774,000	Not Applicable	Not Applicable
Other KMPs as per the SEBI ICDR Regulations		351,900	Not Applicable	Not Applicable
(ii) Other employees		302,220	Not Applicable	Not Applicable
Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	Not Applicable	4.98	Not Applicable	Not Applicable
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company			Not Applicable, as the same has been accounted using the fair value method	
Method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option			The fair value of the employee stock options have been derived using the Black-Scholes Model.  Refer Note 3 below for significant assumptions	

Particulars	Details			
	Since April 1, 2021 till the date of the DRHP	Fiscal 2021	Fiscal 2020	Fiscal 2019
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three years	Nil	Nil	Not Applicable	Not Applicable
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note: As certified by Lodha & Co, Chartered Accountants, pursuant to their certificate dated August 13, 2021

**Note 1:**

Pursuant to the Extra Ordinary General Meeting held on June 1, 2021, the company had decided to sub divide the equity shares of Rs. 10 (Rupees Ten Only) each to Rs. 5 (Rupees Five Only) each and also issued Bonus equity shares in the ratio of 5 (Five) equity shares for every 1 (One) equity share of Rs. 5 each held in the Company resulting in total number of options to 1,428,120, consequently, the exercise price has been changed to Rs. 5 per option.

**Note 2:**

Details of Key Managerial Personnel (as on the date of this certificate) who have been granted options:

Name of Key Managerial Personnel	Options granted originally	Adjusted no. of options, post Sub-division and Bonus issue of Equity shares
<b>Key managerial personnel under the Companies Act, 2013</b>		
Manoj Kanodia	58,000	696,000
Sachin Poptani	6,500	78,000
<b>Sub-total (A)</b>	<b>64,500</b>	<b>774,000</b>
<b>Other Key Managerial Personnel as per SEBI ICDR Regulations</b>		
K.G. Rajagopal	7,300	87,600
Girish Bhandarkar	4,900	58,800
Manoj Verma	3,300	39,600
Om Ahuja	7,705	92,460
Rajeev Saxena	6,120	73,440
<b>Sub-total (B)</b>	<b>29,325</b>	<b>351,900</b>
<b>Other employees (C)</b>	<b>25,185</b>	<b>302,220</b>
<b>Total (A+B+C)</b>	<b>119,010</b>	<b>1,428,120</b>

Note 3: Significant assumptions for valuation of Employee Stock Options

<i>Sl. No.</i>	<i>Assumptions</i>	<i>Value</i>
1.	<i>Fair Value of the underlying Equity share at the time of grant of option*</i>	<i>₹ 4,206.25 per share</i>
2.	<i>Exercise Price per equity share</i>	<i>₹ 5.00 (Refer Note 1 above)</i>
3.	<i>Average Expected Option Life</i>	<i>3.15 Years</i>
4.	<i>Volatility</i>	<i>48.56%</i>
5.	<i>Dividend Yield</i>	<i>Nil</i>
6.	<i>Risk Free Rate</i>	<i>4.71%</i>
7.	<i>Fair Value of Option per Equity Share*</i>	<i>₹ 4,197.61 per option</i>

*\* The valuation of option / share is prior to share split and bonus issue, as detailed in Note 1 above.*

**Note 4:**

*The Board of Directors of the Company in its meeting held on January 12, 2021 had approved the ESOP Scheme, which was duly approved by the shareholders in their extra ordinary general meeting held on January 29, 2021 read with the addendum approved by our Board in its meeting held on May 22, 2021. Further, the Board of Directors have granted the options to the employees as per the approved scheme in its meeting held on February 15, 2021.*

20. Our Company, the Directors and the Managers have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
21. Except as disclosed in “*Our Management*” on page 186, none of our Directors or KMPs hold any Equity Shares in our Company.
22. All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
23. As on the date of this Draft Red Herring Prospectus, the Managers and their respective associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares of our Company.
24. Except for Prakash Jain, Prakash Jain Family Trust, Manjula Jain Family Trust, who are offering Equity Shares in the Offer for Sale, none of our other Promoters or members of our Promoter Group will participate in the Offer.
25. Except for the Fresh Issue, the Pre-IPO Placements and/or the allotment of Equity Shares upon any exercise of options vested pursuant to ESOP 2021, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges.



## SECTION V – PARTICULARS OF THE OFFER

### OBJECTS OF THE OFFER

The Offer comprises the Offer for Sale and the Fresh Issue.

#### Offer for Sale

The proceeds of the Offer for Sale shall be received by the Promoter Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholders will be entitled to their respective portions of the proceeds from the Offer for Sale, net of their respective portions of the Offer related expenses. For further details, please see “-Offer Expenses” on page 93.

#### Fresh Issue

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Funding working capital requirements of our Company;
2. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company; and
3. General corporate purposes (collectively, referred to herein as the “**Objects**”).

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company’s visibility and brand image and creation of a public market for our Equity Shares in India.

The main objects clause and other objects as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities proposed to be funded from the Net Proceeds.

#### Net Proceeds

The details of the proceeds of the Fresh Issue are summarised in the table below:

Particulars	Amount
Gross proceeds from the Fresh Issue <sup>(1)(2)</sup>	3,000.00
(Less) Fresh Issue related expenses <sup>(1)</sup>	[●]
<b>Net Proceeds<sup>(1)</sup></b>	<b>[●]</b>

(₹ in million)

<sup>(1)</sup> To be finalised upon determination of the Offer Price and updated in the Prospectus at the time of filing with the RoC.

<sup>(2)</sup> Our Company, in consultation with the Managers, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards one or more of the Objects.

#### Utilization of Net Proceeds and Schedule of Deployment

The Net Proceeds are proposed to be utilised and are currently expected to be deployed in accordance with the schedule set forth below:

Particulars	Amount which will be financed from Net Proceeds <sup>(1)</sup>	Estimated Utilisation of Net Proceeds
		Fiscal 2022
Funding working capital requirements of our Company	1,096.27	1,096.27
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	1,153.73	1,153.73
General corporate purposes <sup>(1)</sup>	[●]	[●]
<b>Total<sup>(1)</sup></b>	<b>[●]</b>	<b>[●]</b>

(₹ in million)

<sup>(1)</sup> To be finalised upon determination of Offer Price. The amount shall not exceed 25% of the gross proceeds of the Fresh Issue

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions including the COVID-19 pandemic, competitive environment and interest or exchange rate fluctuations, interest and finance charges, regulatory costs, and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Fresh Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

### 1. Funding working capital requirements of our Company

We have significant working capital requirements and we fund our working capital requirements in the ordinary course of business from our internal accruals, financing from various banks and financial institutions.

As on July 31, 2021, our Company's working capital facilities sanctioned from banks/financial institutions consisted of an aggregate fund-based limit of ₹ 690.00 million and an aggregate non-fund based limit of ₹ 2,310.00 million, on a consolidated basis.

Our Company requires additional working capital for funding its working capital requirements in Fiscal 2022. The funding of the working capital requirements of our Company will lead to a consequent reduction in finance costs and increase in our profitability. We propose to utilise ₹ 1,096.27 million from the Net Proceeds to fund our Company's working capital requirements.

#### *Basis of estimation of long term working capital requirement*

The details of our Company's working capital, on a consolidated basis, as at March 31, 2019 (proforma), March 31, 2020 and March 31, 2021 and source of funding of the same are provided in the table below:

#	Particulars	As at*					
		March 31, 2019 (proforma) (₹ in million)	Holding Levels (Days)	March 31, 2020 (₹ in million)	Holding Levels (Days)	March 31, 2021 (₹ in million)	Holding Levels (Days)
<b>I</b>	<b>Current Assets</b>						
1	Inventories	241.26	14.09	282.37	13.52	299.05	13.60
2	Trade receivables	3,408.44	199.13	3,818.68	182.84	4,414.52	200.72
3	Cash and Cash Equivalents	15.99	0.93	736.94	35.28	86.11	3.92
4	Bank balances other than cash & cash equivalents	174.69	10.21	205.20	9.82	297.21	13.51
5	Other Financial Assets	36.69	2.14	23.72	1.14	24.35	1.11
6	Other Current Assets	166.11	9.70	357.45	17.11	399.34	18.16
	<b>Total Current Assets (A)</b>	<b>4,043.19</b>	<b>236.21</b>	<b>5,424.36</b>	<b>259.72</b>	<b>5,520.58</b>	<b>251.01</b>

#	Particulars	As at*					
		March 31, 2019 (proforma) (₹ in million)	Holding Levels (Days)	March 31, 2020 (₹ in million)	Holding Levels (Days)	March 31, 2021 (₹ in million)	Holding Levels (Days)
<b>II</b>	<b>Current Liabilities</b>						
1	Trade Payables	3,281.99	191.74	3,904.25	186.93	3,801.10	172.83
2	Other Financial Liabilities	-	-	26.44	1.27	10.98	0.50
3	Other Current Liabilities	232.87	13.60	130.22	6.23	36.95	1.68
	<b>Total Current Liabilities (B)</b>	<b>3,514.86</b>	<b>205.34</b>	<b>4,060.92</b>	<b>194.43</b>	<b>3,849.03</b>	<b>175.01</b>
<b>III</b>	<b>Working Capital Requirements (A-B)</b>	<b>528.33</b>	<b>30.87</b>	<b>1,363.45</b>	<b>65.28</b>	<b>1,671.55</b>	<b>76.00</b>
<b>IV</b>	<b>Means of Finance</b>						
	Short-term borrowings	290.58	16.98	493.52	23.63	638.13	29.01
	Internal Accruals	237.75	13.89	869.92	41.65	1,033.43	46.99
	<b>Total Means of Finance</b>	<b>528.33</b>	<b>30.87</b>	<b>1,363.45</b>	<b>65.28</b>	<b>1,671.55</b>	<b>76.00</b>

\*Pursuant to the certificate dated August 13, 2021, issued by Lodha & Co., Chartered Accountants.

Our Statutory Auditors have provided no assurance on the prospective financial information, working capital estimates or projections and have performed no service with respect to the same.

#### **Expected working capital requirements**

On the basis of existing and estimated working capital requirement of our Company and assumptions for such working capital requirements, our Board pursuant to its resolution dated August 13, 2021 has approved the projected working capital requirements for Fiscal 2022, together with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements as set forth below:

#	Particulars	Estimated amount as on March 31, 2022* (₹ in million)	Holding Period (no of days) in Fiscal 2022*
<b>I</b>	<b>Current Assets</b>		
1	Inventories	410.96	15.00
2	Trade Receivables	5,342.42	195.00
3	Cash & Cash Equivalents	265.17	9.68
4	Bank Balances other than Cash & Cash Equivalents	410.96	15.00
5	Other Financial Assets	30.33	1.11
6	Other Current Assets	497.46	18.16
	<b>Total Current Assets (I)</b>	<b>6,957.28</b>	<b>253.94</b>
<b>II</b>	<b>Current Liabilities</b>		
1	Trade Payables	3,013.67	110.00
2	Other Financial Liabilities	13.68	0.50
3	Other Current Liabilities	46.03	1.68
	<b>Total Current Liabilities (II)</b>	<b>3,073.38</b>	<b>112.18</b>

#	Particulars	Estimated amount as on March 31, 2022* (₹ in million)	Holding Period (no of days) in Fiscal 2022*
<b>III</b>	<b>Total Working Capital Requirements (I - II)</b>	<b>3,883.91</b>	<b>141.76</b>
<b>IV</b>	<b>Funding pattern</b>		
1	Working capital funding from banks	340.00	12.41
2	Net Proceeds from the Fresh Issue	1,096.27	40.01
3	Internal accruals and proceeds from the Fresh Issue, which will be deployed for repayment of identified working capital facilities	2,447.63	89.34
	<b>Total</b>	<b>3,883.91</b>	<b>141.76</b>

\*Pursuant to the certificate dated August 13, 2021, issued by Lodha & Co., Chartered Accountants.

**Key assumptions for projected working capital requirements of our Company\***

#	Particulars	FY19 (Days)	FY20 (Days)	FY21 (Days)	FY22 Assumptions (Days)
1	Inventory Days	14.09	13.52	13.60	15.00
2	Accounts Receivable Days	199.13	182.84	200.72	195.00
3	Cash & Cash Equivalent Days	0.93	35.28	3.92	9.68
4	Other Balances with Bank Days	10.21	9.82	13.51	15.00
5	Other financial assets Days	2.14	1.14	1.11	1.11
6	Other Current Assets Days	9.70	17.11	18.16	18.16
7	Trade Payable Days	191.74	186.93	172.83	110.00
8	Other financial liabilities Days	-	1.27	0.50	0.50
9	Other current liabilities Days	13.60	6.23	1.68	1.68

\*Pursuant to the certificate dated August 13, 2021, issued by Lodha & Co., Chartered Accountants.

**Justification for Holding Period Levels**

#	Particulars	Justifications
1	Inventory Days	Projects have several third party components besides our Company's own services. Materials are not received at the same time. This necessitates some level of inventory holding at the Company's end. Our current levels are optimal and based on the past trends we have assumed a requirement of 15 days in Fiscal 2022.
2	Accounts Receivable Days	A significant proportion of our business consists of large and complex implementation programs involving multiple technology stacks followed by sustenance and sometimes involves multiple locations. The payment terms are linked to milestones. Most milestones have customer dependency leading to delay in milestone completions and subsequent sign-offs. As a result, we have delays in receivables. However, considering our expansion in niche technology services areas, we expect a slight improvement in the account receivable days from 201 to 195 days.
3	Other Balances with Bank Days	Our Company is required to maintain margin by way of fixed deposit for availing the non-fund based facilities from banks/financial institutions, as and when required for earnest money deposit, performance bank guarantee and letter of credit etc. The requirement is largely dependent on direct participation of any opportunity from BFSI and public sector undertakings etc. We expect the number of days will remain in the range of 15 days.
4	Other financial assets Days	These items include security deposit at fair value placed with the landlord towards leasehold premises at various business location. We expect the same trend to continue in future.
5	Other Current Assets Days	These items include prepaid expenses, unutilised GST credit and deferred cost corresponding to contract liability etc. which will unwind in the current year. We expect similar trend to continue in future.
6	Trade Payable Days	We have larger cycle of receivables and we aim to be efficient in terms of vendor pay terms and effective usage of all line of credits available to us. However, going forward we expect a significant reduction and rationalization in the trade payable days outstanding and it is expected to be around 110 days.
7	Other financial liabilities Days	This consists of non-recurring items varying from year to year. We expect this to continue in the same range in future.
8	Other current liabilities Days	This consist of statutory dues payable to the Government on a monthly basis and we expect the same trend to continue in the future.

## 2. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company

Our Company has availed various credit facilities from banks and financial institutions including borrowings in the form of terms loans, and fund based and non-fund based working capital facilities. For details in relation to these financing arrangements, see "*Financial Indebtedness*" on page 363. As on July 31, 2021, we had total outstanding borrowings of ₹ 2,016.67 million on a consolidated basis.

Our Company intends to utilise an estimated amount of ₹ 1,153.73 million from the Net Proceeds towards repayment or prepayment of all or a portion of the principal amount on certain loans availed by our Company and the accrued interest thereon in the case of certain loans availed by our Company.

We believe that the pre-payment or scheduled repayment will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The following table provides details of certain loans and facilities availed by our Company as at July 31, 2021, out of which we propose to pre-pay or repay, in part either all or a portion of the below mentioned loans and/or facilities, an amount aggregating to ₹ 1,153.73 million from the Net Proceeds:

Name of the lender	Nature of borrowing	Purpose	Amount sanctioned (in ₹ million)	Principal amount outstanding as on July 31, 2021 (in ₹ million)	Interest rate as on July 31, 2021 (% p.a.)	Repayment schedule	Pre-payment conditions/penalty
Axis Finance Limited	Rupee term loan	Payment of creditors and towards principal business activities of the Company and towards transaction charges of the facility	950.00	950.00	All-in-pricing of 10.25%	18 equal quarterly instalments after a moratorium period of 6 months (mandatory prepayment from Net Proceeds within 60 days from completion of the Offer)	No penalty subject to providing a notice of at least 30 days before the date of the prepayment
YES Bank Limited	Overdraft facility	Business Operations	300.00	203.73	1Y MCLR + 1% per annum	Revolving facility with monthly interest payments	Nil
<b>Total</b>				<b>1,153.73</b>			

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, the Company has obtained the requisite certificate.

The selection and extent of borrowings proposed to be prepaid or repaid from the borrowings provided in the table above, shall be based on various factors including any condition (including prepayment related conditions) attached to the borrowings restricting our ability to prepay the borrowings and other commercial considerations including, among others, the interest rate on the loans and/or facilities, the amount outstanding and the remaining tenor of the loan. Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals.

Given the nature of the above-mentioned borrowings and the terms of repayment, the aggregate outstanding borrowing amounts which we propose to repay may vary from time to time. Accordingly, our Company may utilise the Net Proceeds for repayment/prepayment of any such existing facilities (including any prepayment fees or penalties thereon) or any additional facilities obtained by our Company. In case of pre-payment of any of the facilities, our Company will intimate the relevant lender in terms of the financing documents. In light of the above, if at the time of filing the Red Herring Prospectus, any of the above-mentioned loans or facilities are repaid in part or full or refinanced, then the above-mentioned table shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company.

In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, redeemed (earlier or scheduled), refinanced or further drawn down prior to the completion of the Offer, we may utilize Net Proceeds towards prepayment and/or repayment of such additional indebtedness availed by us, details of which shall be provided in the Red Herring Prospectus.

As mentioned above, we propose to repay or pre-pay a loan obtained by our Company from Axis Finance Limited from the Net Proceeds. While Axis Finance Limited is an affiliate of Axis Capital Limited, one of the Managers, it is not an associate of our Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 and such loan sanctioned to our Company by Axis Finance Limited, has been sanctioned to our Company as part of the ordinary course of business of commercial lending activity by Axis Finance Limited. See “*Risk Factors - A portion of the Net Proceeds may be utilized for repayment or pre-payment of a loan availed by our Company from Axis Finance Limited, which is an affiliate of Axis Capital Limited, one of the Managers*” on page 48.

### **3. General Corporate Purposes**

We will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the gross proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations, including but not restricted towards part or full prepayment / repayment of our borrowings, strategic initiatives, acquisitions, investments in future subsidiaries of our Company, opening or setting up offices, business development initiatives, acquiring fixed assets, meeting any expense (including capital expenditure requirements) of our Company, including salaries, rent, administration, insurance, repairs and maintenance, payment of taxes and duties, meeting expenses incurred in the ordinary course of business and towards any exigencies. The quantum of utilisation of funds toward the aforementioned purposes will be determined by our Board based on the amount actually available under the head “General Corporate Purposes” and the corporate requirements of our Company.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular Object i.e., the utilization of Net Proceeds.

#### **Means of Finance**

Fund requirements for the Objects as set out above are proposed to entirely be funded from the Net Proceeds and our internal accruals. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue or through existing identifiable internal accruals.

#### **Interim use of Net Proceeds**

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

#### **Bridge Financing Facilities**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. Depending upon business requirements, our Company may consider raising further bridge financing facilities, including through secured or unsecured loans or any short-term instrument like non-convertible debentures, commercial papers, etc., pending receipt of the Net Proceeds.

#### **Offer Expenses**

The total Offer related expenses are estimated to be approximately ₹ [●] million. The Offer related expenses consist of listing fees, fees payable to the Managers, legal counsels, Registrar to the Offer, Bankers to the Offer processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. The break-up for the estimated Offer expenses are set forth below:

Activity	Estimated expenses#(in ₹ million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
Managers' fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission payable to SCSBs for Bids directly procured by them and processing fees payable to SCSBs for Bids (other than Bids submitted by RIIs using the UPI Mechanism) procured by the members of the Syndicate, the Registered Brokers, CRTAs or CDPs and submitted to SCSBs for blocking, Bankers to the Offer, fees payable to the Sponsor Bank for Bids made by RIIs <sup>(1)(2)</sup>	[●]	[●]	[●]
Selling commission and uploading charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs, CDPs and Registered Brokers <sup>(3)(4)(5)</sup>	[●]	[●]	[●]
Processing fees payable to the Sponsor Bank <sup>(5)</sup>	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Others	[●]	[●]	[●]
(i) Listing fees, SEBI filing fees, upload fees, Stock Exchanges processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
(ii) Printing and stationery expenses	[●]	[●]	[●]
(iii) Advertising and marketing expenses	[●]	[●]	[●]
(iv) Fees payable to legal counsels	[●]	[●]	[●]
(v) Fees payable to the Monitoring Agency	[●]	[●]	[●]
(vi) Miscellaneous	[●]	[●]	[●]
<b>Total estimated Offer expenses</b>	[●]	[●]	[●]

# Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price

- (1) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured and uploaded by the SCSBs, would be as follows:

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

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

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE

- (2) No processing fees shall be payable by our Company to the SCSBs on the Bid cum Applications Forms directly procured by them.

Processing fees payable to the SCSBs on the portion for Non-Institutional Investors which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Non-Institutional Investors*	[●]% of the Amount Allotted (plus applicable taxes)
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\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

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

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

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

The selling commission payable to the Syndicate / sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Member.

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

The selling commission and bidding charges payable to Registered Brokers, the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

- (4) Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIIs procured through UPI Mechanism



and Non-Institutional Investors which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

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

\* Based on valid applications

(5) Uploading charges/ Processing fees for applications made by RIIs using the UPI Mechanism would be as under:

Payable to Members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	₹[●] per valid application (plus applicable taxes)
Payable to Sponsor Bank	₹[●] per valid application (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws

The listing fees shall be borne by our Company. Other Offer-related expenses shall be shared by , shall be shared among the Company and the Promoter Selling Shareholders in accordance with applicable law. All such payments shall be made by the Company on behalf of the Promoter Selling Shareholders, and upon the successful completion of the Offer, the Promoter Selling Shareholders shall reimburse the Company, on a pro rata basis, in proportion to their respective portions of the Offered Shares, for any expenses incurred by the Company on behalf of the Promoter Selling Shareholders. The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

### Monitoring Utilization of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with RoC, we will appoint a monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet until such time as the Net Proceeds remain unutilized, clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds, as required under applicable law.

Pursuant to the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of Net Proceeds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

### Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, our Company shall not vary the Objects of the Offer unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act. The notice will be published in the newspapers, one in English and one in Marathi (Marathi being the regional language of Maharashtra, where our Registered Office is located). Pursuant to Sections 13(8) and 27 of the Companies Act, 2013, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

**Appraising agency**

None of the objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/ financial institution/any other agency.

**Other confirmations**

There is no proposal whereby any portion of the Net Proceeds will be paid to our Directors, Promoters, Promoter Group or Key Managerial Personnel, except in the ordinary course of business. There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors and/or Key Managerial Personnel

## BASIS FOR THE OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and the Promoter Selling Shareholders, in consultation with the Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. Investors should also refer to “Our Business”, “Risk Factors”, “Restated Consolidated Financial Statements” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 147, 31, 219 and 328, respectively, to have an informed view before making an investment decision.

### Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Leading provider of cyber-security solutions in an industry with high entry barriers;
- Integrated digital transformation service provider with end-to-end capabilities across verticals;
- Consulting led business and delivery model with an extensive footprint across India and internationally;
- Global client base with longstanding relationships;
- Diversified vertical-experience with a proven track record for BFSI solutions;
- Value accretive solution designing on the back of well-established COEs;
- Highly experienced and entrepreneurial promoters and senior management with extensive domain knowledge, supported by a qualified employee base.

For further details, see “Our Business –Our Strengths” on page 150.

### Quantitative factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Statements.

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

#### I. Basic and diluted earnings per share (“EPS”)

Fiscal/Period	Basic and Diluted EPS ( ₹)#	Weight
2021	4.98	3
2020	2.72	2
2019 (proforma)	0.59	1
<b>Weighted Average</b>	<b>3.50</b>	

# Pursuant to a resolution of our shareholders dated June 1, 2021, each equity share of our Company of face value of ₹ 10 was sub-divided into 2 equity shares of face value of ₹ 5 each and accordingly 6,043,565 equity shares of our Company of ₹10 each were split into 12,087,130 Equity Shares of ₹ 5 each. Further, the Company also allotted 60,435,650 bonus Equity Shares in the ratio of 5 Equity Shares for every 1 Equity Share held, on June 28, 2021. Basic and Diluted EPS has been calculated after giving effect to such sub-division and bonus issue for all years presented as per Ind AS 33.

#### II. Price/Earning (“P/E”) ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS for Fiscal 2021	[●]	[●]
Based on diluted EPS for Fiscal 2021	[●]	[●]

#### Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	[●]
Lowest	[●]

Particulars	Industry P/E (number of times)
Average	[●]

*Note:*

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed in this section. All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2021, as available on website of stock exchanges.

### III. Return on Net Worth (“RoNW”)

Derived from Restated Consolidated Financial Statements:

Financial Year ended	RoNW (%)	Weight
Fiscal 2021	31.63	3
Fiscal 2020	27.22	2
Fiscal 2019 (proforma)	8.03	1
<b>Weighted Average</b>	<b>26.23</b>	

*Notes:*

1. Return on net worth (%)

$$\frac{\text{Restated profit after tax}}{\text{Restated net worth at the end of the year}}$$

2. ‘Net worth’ is the aggregate value of the paid-up share capital including instruments in the nature of equity and all reserves created out of profits, securities premium account and debit or credit balance of profit and loss account, share based payment reserve, money received against share warrants, capital reserve on consolidation, other reserves after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

### IV. Net asset value per Equity Share (face value of ₹ 5 each)

I. Restated Net Asset Value per Equity Share derived from the Restated Consolidated Financial Statements:

As on March 31, 2021: ₹ 15.76

II. After the Offer\*:

- (a) At the Floor Price: ₹ [●]
- (b) At the Cap Price: ₹ [●]

III. Offer Price\*: ₹ [●]

\*To be updated in the Prospectus.

*Note:*

Net Assets Value per equity share (₹): Net Worth at the end of the respective period divided by number equity shares outstanding at the end of respective period.

### V. Comparison with listed industry peers

Following is the comparison with our peer companies listed in India:

Name of the company	Total income (₹ in million)	Face Value per equity share (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV per equity share @ (₹)
Company*	8,138.98	10	[●]	4.98	4.98	31.63	15.76

Name of the company	Total income (₹ in million)	Face Value per equity share (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV per equity share @ (₹)
<b>Listed Peers#</b>							
HCL Technologies Limited	763,060	2	25.56	41.07	41.07	18.60%	220.78
Happiest Minds Technologies Limited	7,977	2	124.34	11.75	11.45	29.76%	38.51
Birlasoft Limited	35,747	2	35.64	11.53	11.29	14.72%	78.62
Mindtree Limited	81,195	10	42.16	67.44	67.41	25.71%	262.20
Tech Mahindra Limited	386,422	5	25.20	50.64	50.18	17.81%	284.51
Wipro Limited	643,256	2	31.36	19.11	19.07	19.67%	100.20
Tata Consultancy Service Limited	1,673,110	1	38.17	86.71	86.71	37.52%	233.66
Larsen & Toubro Infotech Limited	126,442	1	4,762.55	43.19	110.26	26.54%	417.93
Coforge Limited	46,954	10	65.35	74.68	73.29	18.47%	407.00
Cyient Limited	42,723	5	29.25	33.08	33.06	12.30%	268.77
Zensar Technologies Limited	38,068	2	27.94	15.49	15.34	12.81%	103.82

*#Source: All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the annual audited financial results of the company for the year ended March 31, 2021.*

*\*Source for our Company: Based on the Restated Consolidated Financial Statements for the year ended March 31, 2021. Basic and diluted EPS are computed in accordance with Ind AS 33 - Earnings per share.*

Notes:

(1) P/E Ratio has been computed based on the closing market price of equity shares on NSE on August 06, 2021 divided by the diluted EPS.

(2) Net Profit is the Profit for the year attributable to equity shareholders of the Company

(3) Return on net worth %: Profit for the year attributable to equity shareholders of the Company divided by net worth as attributable to equity shareholders of the Company at the end of the year

(4) Net Asset Value ("NAV") is computed as the closing net worth divided by the equity shares outstanding as on March 31 of the Fiscal 2021.

(5) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.

Investors should read the above mentioned information along with "Risk Factors", "Our Business", Management Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 31, 147, 328 and 219, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments.

## STATEMENT OF SPECIAL TAX BENEFITS

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

The Board of Directors  
Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)  
23, Level 2, Kalpataru Square, Konditva lane  
Andheri East, Mumbai 400059  
Maharashtra, India

Dear Sirs,

#### **Statement of Special Tax Benefits available to Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited) and its shareholders under the Indian tax laws (“the Statement”)**

1. We hereby confirm that the enclosed Annexure, prepared by Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited) (“the Company”), provides the special tax benefits available to the Company and to the shareholders of the Company, as stated under:
  - the Income-tax Act, 1961 (“the Act”) as amended by the [Finance Act 2021, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23] (Annexure 1),
  - 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”) presently in force in India and as amended by the Finance Act 2021 and as notified as on the date of signing the statement. (Annexure 2).

The Act, GST Acts, the Customs Act and the Tariff Act, as defined above, are collectively referred to as the “Tax Laws”.

This Statement can be included in the (i) draft red herring prospectus proposed to be filed with the Securities and Exchange Board of India (“SEBI”), BSE Limited and National Stock Exchange of India Limited (collectively, the “Stock Exchanges”); (ii) red herring prospectus proposed to be filed with SEBI, the Stock Exchanges and the Registrar of Companies, Maharashtra at Mumbai (“Registrar of Companies”); and (iii) prospectus proposed to be filed with SEBI, the Stock Exchanges and the Registrar of Companies for the proposed initial public offer of equity shares of face value Rs 5 each (“Equity Shares”), of the Company: comprising fresh issue of Equity Shares and an offer for sale by certain shareholders of the Company (the “Offer”), as required under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. Several of these benefits are dependent on the Company and its shareholders, fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or shareholders of the Company to derive the special tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or the shareholders of the Company may or may not choose to fulfil.

The Central Board for Direct Taxes (‘CBDT’) has constituted a Committee to suggest framework to compute book profit which constitutes the tax base for Minimum Alternate Tax (‘MAT’) levy for companies converging to IND-AS. Till date the Committee has made two reports, which are yet to be accepted by the Government. Since the Committee recommendations do not carry any weightage in law as they may or may not be accepted we have not expressed our opinion on the transitional impact of Ind-AS, which maybe applicable to the Company from FY 2020-2021 onwards.

2. The benefits discussed in the enclosed annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that these annexures are only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.
3. We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been / would be met with; and
  - iii) the revenue authorities/courts will concur with the views expressed herein.
4. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
  5. This Statement is issued solely in connection with the Offer and is not to be used, referred to or distributed for any other purpose.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

per Nilangshu Katriar  
Partner  
Membership Number: 58814  
UDIN: 21058814AAAADQ8272

Mumbai  
Date: August 13, 2021

## **ANNEXURE 1 TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

**Under the Income-Tax Act, 1961 (hereinafter referred to as ‘the Act’), as amended by the Finance Act 2021, applicable for Financial Year 2021-22 relevant to Assessment Year 2022-23.**

1. This Annexure sets out only the special tax benefits available to the Company and the shareholders under the current Income-tax Act, 1961 i.e. the Act as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India.
2. **Special tax benefits available to the Company under the Act**
  - 2.1. Lower corporate tax rate under Section 115BAA of the Act

Section 115BAA of the Act has been inserted by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) w.e.f. April 1, 2020 (assessment year) granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail the following deductions/exemptions:

- I. Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone);
- II. Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation);
- III. Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- IV. Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research);
- V. Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project);
- VI. Deduction under section 35CCD (Expenditure on skill development)
- VII. Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA.
- VIII. No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause I) to VII) above; and
- IX. No set-off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause I) to VIII) above.

In case a company opts for section 115BAA of the Act, provisions of Minimum Alternate Tax [“MAT”] under section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has opted to apply section 115BAA of the Act for the assessment year 2020-2021 and onwards.



3. **Special tax benefits available to Shareholders**  
There are no special tax benefits available to the Shareholders of the Company for investing in the shares of the Company.
4. **NOTES:**
- 4.1. This Annexure sets out only the tax benefits available to the Company and the shareholders under the current Income Tax Act, 1961 i.e the Act as amended by the Finance Act, 2021 applicable for Financial year 2021-22 relevant to the Assessment year 2022-23, presently in force in India.
- 4.2. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
- 4.3. The above statement covers only certain special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- 4.4. The above statement of special tax benefits is as per the current direct tax laws relevant for the assessment year 2022-23. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
- 4.5. The Company has evaluated and decided to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability for the Financial Year 2019-20. The option once exercised cannot be subsequently withdrawn for the same or any other Financial Year and accordingly, the special direct tax benefits, available for Financial Year 2021-22, are captured to the extent the same are relevant to Company exercising such option.

**For Inspira Enterprise India Limited**

Chief Financial Officer  
Place: Mumbai  
Date: August 13, 2021

## **ANNEXURE 2 TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the special tax benefits available to Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited) and its Shareholders under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 (“GST law”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) and Foreign Trade Policy 2015-20 (cumulatively referred to as indirect tax laws), presently in force in India.

### **1. Special indirect tax benefits available to Inspira Enterprise India Limited:**

There are no special tax benefits available to Inspira Enterprise India Limited, under GST law and any other indirect tax laws mentioned above.

### **2. Special tax benefits available to Shareholders:**

The Shareholders of Inspira Enterprise India Limited are not entitled to any special tax benefits under the aforementioned indirect tax laws.

### **3. Notes:**

- 3.1 This Annexure sets out only the special tax benefits available to Inspira Enterprise India Limited and its Shareholders under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 (“GST Acts”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”), Foreign Trade Policy 2015-20 presently in force in India as on the date of signing the Statement.
- 3.2 This Annexure is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Proposed IPO.
- 3.3 These comments are based on the provisions of the specified indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- 3.4 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 Inspira Enterprise India Limited**

Chief Financial Officer Place: Mumbai  
Date: August 13, 2021

## SECTION VI - ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

Unless otherwise indicated, the information in this section is obtained or extracted from the independent report titled “Global Information Technology Services Market” prepared and released by Frost & Sullivan and exclusively commissioned and paid for by our Company. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

#### Global / Regional Macroeconomic Variable

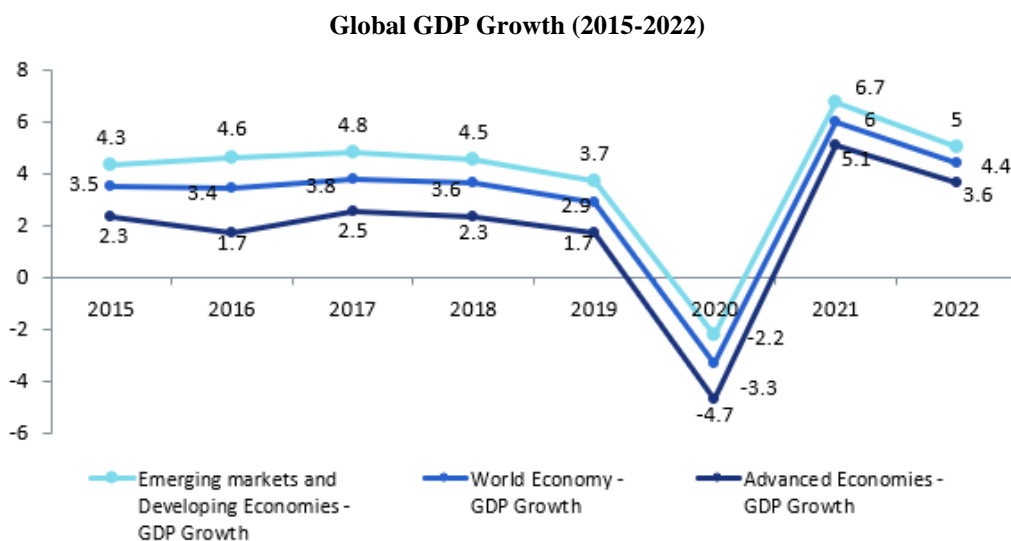
Over the past year, there have been significant innovations in economic policy and large scaled-up support at the national level, particularly among advanced economies that have been able to afford these initiatives. Consequently these regions have been able to provide avenues for future developments.

Among emerging markets and developing economies, China has already returned to pre-Covid GDP in 2020. Other regions are expected to have a slower recovery but with the increased vaccination drive, there is hope for a positive economic rebound. Fiscal support in emerging markets and developing economies has been more limited, and deficits are generally expected to decline as revenues improve and crisis-related expenditures unwind with the projected economic recovery.

The Middle East and Central Asian regions face relatively better prospects of recovery owing to oil price developments, early vaccine rollouts, policy space and actions. This region is expected to also benefit from tourism related revenue in the post-Covid era.

#### GDP Growth Outlook (2015-2022)

It has been over a year since Covid-19 was declared as a global pandemic. Multiple global regions experienced a halt in their economic development at varying degrees. While the uncertainty over the tackling of the pandemic situation has led to multiple adverse effects on the global economy, the increased vaccination drive and the reduction in the global case count of Covid-19 are positive indicators towards an economic rebound.



#### Emerging Markets and Developing Economies GDP Growth

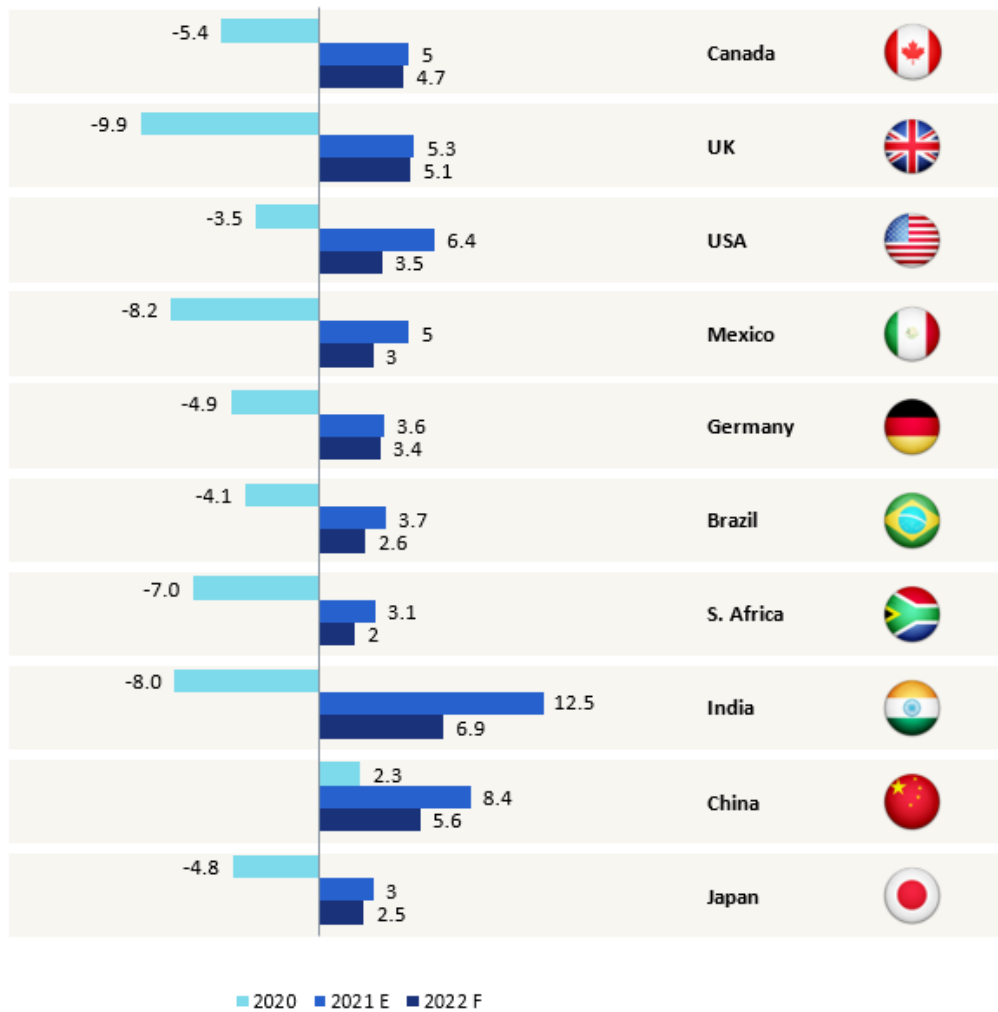
Emerging markets, including India, China, Middle Eastern countries and the LATAM region, were vulnerable due to the population density in some and the lack of adequate infrastructure to tackle the pandemic in others.

Consequently, the advent of Covid-19 saw the decline of the GDP in these regions from 3.7% in 2019 to -2.2% in 2020. As the vulnerable population gets vaccinated, contact-intensive activities are expected to resume and drive a significant pickup in growth thanks to pent-up demand funded by accumulated savings in 2020. The GDP levels are accordingly expected to increase to 6.7% in 2021 and moderate to 5% by 2022.

**GDP Growth Rate of Key Select Economies, Global, 2020-2022**

The Covid-19 crisis had a significant impact the GDP growth in all major economies in 2019-2020. Moving forward, however, most countries are expected to have a positive GDP growth with countries such as India and China having a more robust growth.

**GDP Growth, Key Countries, Global (2019-2021)**



Note: GDP Growth rates are expressed in percentage; E- Estimates. F- Forecast

SOURCE: IMF

**Economic Impact of Cyber Security**

Cybersecurity skills are in higher demand than ever before, with rising consumer privacy concerns and related regulations, as well as daily, expensive data breaches. Privacy and security have now become fundamental in the growth of the economy. According to the renowned cybersecurity firm McAfee, cybercrime has already cost the global economy more than US\$1 trillion in 2020 (just over 1% of global GDP in 2020) up more than 50% from a 2018 assessment that estimated global losses at close to US\$600 billion.

*By 2025, global cybercrime expenses are predicted to reach US\$10.5 trillion from, US\$3 trillion in 2015.*

Over the next five years, global cybercrime expenses are predicted to increase by 15% each year over the next 5 years, reaching US\$10.5 trillion annually by 2025, up from US\$3 trillion in 2015. This is estimated to be the largest transfer of economic wealth in history, exponentially larger than the damage caused by natural disasters in a year, and larger than combined worldwide profits in all major illegal narcotics transactions. The damage cost

estimate takes into account recent annual increases of cybercrimes, a major increase in hostile nation-state sponsored and organized crime gang hacking activities, and a cyber-attack surface that will be an order of magnitude larger in 2025 than it is now.

#### *Covid-19 Pandemic*

Office-based employees are likely to continue working remotely in the foreseeable future. Businesses will have to account for increased cyber risk until a sufficient percentage of the population has been vaccinated. Fake requests to reset virtual private network (VPN) credentials, fake sign-in pages for video conferencing accounts, or fraudulent incoming chat requests from colleagues on corporate messaging systems will continue to be targets for attackers. As such, many firms have cybersecurity training mandatorily for employees in order to protect themselves from cyber assaults, notably phishing attempts.

#### *Government-Enforced Cyber Protection Strategies*

Governments around the world are working to develop offensive and defensive capabilities to combat cyber-terrorists and cybercriminals, and to legitimize their deployment, but secrecy is their main issue. A National Cyber Force is expected to be established in the UK with a £1.5 billion investment to assist the Government in combating cybercrime on a large scale. According to an Atlas VPN study, the US government plans to invest US\$18.78 billion in cyber security in 2021 (an increase of 10% compared to 2019). President Joe Biden recently recommended a US \$2.1 billion budget for the Cybersecurity Infrastructure and Security Agency (CISA), an increase of US \$110 million over the authorized level for 2021. Further, over the next four years, an estimated \$80 million CAD (Canadian dollars) will be invested in the new pan-Canadian cybersecurity program. Following recent hospital security breaches, French President Emmanuel Macron announced a plan to invest €1 billion (US\$1.2 billion) in cybersecurity in France by 2021, including €350 million (about US\$400 million) set aside for hospitals.

With the threat of new and complex cyber-attacks projected to increase in the future, advanced solutions such as Security Investigation and Event Management, Security Orchestration, Automation, and Response, and Security Operations Centre are projected to acquire more traction.

#### *Increased Ransomware Outbreaks*

Ransomware's targeting of state and municipal governments was the top cyber story of 2019. In 2020, the spike in ransomware attacks continued with an increase of 62% as compared to the previous year, with hospitals, schools, and other institutions being targeted. With growing expenditures and the increasing audacity of cyber criminals, the ransomware increase patterns do not bode well for enterprises in 2021 and beyond.

#### *Cloud Dominance with Huge Security Implications*

During the pandemic, another growing trend was the growth of public and private-sector businesses switching to cloud computing. These movements covered everything from infrastructure and applications to full outsourcing, and they were made with cloud providers ranging from Google to Amazon to Microsoft, as well as a slew of smaller ones.

#### *Focus on Consolidated Solutions*

The ecosystem would evolve to include a consolidated product solution comprising of threat detection, analysis, response and mitigation, since a substantial percentage of end user firms and SMEs source cybersecurity solutions from 10+ vendors and receive a huge number of threat alerts. As a result, organizations will place a greater emphasis on producing unified solutions in the future.

#### ***Impact of Covid-19 on Key Industry Verticals and Potential Role of Digital Transformation to Counter Adverse Impact***

##### ***BFSI***

Assisted by accommodative monetary and government policies, the BFSI sector was key in responding to the crisis. However, the delayed impact of the pandemic is expected to get reflected in the form of margin pressures, non-performing loans, write-offs etc.

##### ***Impact of Digital Transformation on BFSI***

Banking and financial institutions have begun to move their business focus toward digital transformation, allowing them to rethink their operational models. Leading FSIs are attempting to bring new technologies to market and embracing hybrid

*As financial institutions increasingly turn digital, they are subject to a variety of cyber-attacks that can cause huge losses – both financial and reputational.*

cloud-based solutions to better their products and services to consumers, as demand for cloud-based application development tools and data analytics grows substantially. Bank executives must strike a tough balance between traditional risk management and the requirement to respond rapidly to a crisis that has wreaked havoc on their operating environment. As more people work remotely, cybercrime such as fraud and phishing assaults, have increased. Cybersecurity has hence become increasingly important for the BFSI sector to tackle vulnerabilities.

#### *Impact of Digital Transformation on Manufacturing*

Productivity can be increased with the use of AI technologies which complements the work of current labour resources. Increased ability to tailor products, as well as AI-enhanced products and services, could lead to an increase in consumer demand. The pandemic also brought to light the dangers of changing to digitalization without the right infrastructure in place for industrial control systems and operations technology (ICS/OT). The vulnerabilities found in control systems are now extending into industrial facilities as more commercial off-the-shelf components are put into these systems. Post-Covid, industrial organizations must appropriately handle security issues of digital transition.

*Industrial digitization in the form of smart devices, IIOT (Industrial IOT), sensors etc. are subject to cyber vulnerabilities that can halt operational and organizational progress.*

#### *Technology Services*

There is a significant increase in global technology demand. Tata Consultancy Services (TCS), Infosys and Wipro, India's Big Three technology service companies, took on 72,000 new recruits in 2020-2021, 44% more than the previous year. The technology services sector seems to be well positioned even if the pandemic crisis persists in the near future.

*Technology service companies are increasingly focusing on cybersecurity initiatives surrounding advanced services such as cloud, AI, ML, etc.*

#### *Impact of Digital Transformation on IT Services*

Covid-19 has had a significant impact on technology services at a global scale. While it has led to an acceleration in remote working, enterprises are facing the strain on their operation management as they need to shift their resources to a new working model. Companies offering cloud services have been at the forefront of minimizing disruption. There has been a sharp increase in demand for various aspects of cloud services. Legacy networks have proven to be one of the biggest challenges during the pandemic. They lack the agility and business alignment for enterprise digital transformation. The increase in on-demand services and the introduction of new working models has further strained the already ailing network infrastructure. Cybersecurity has been one of the most sought-after service owing to the rising demand to counter cyber threats and minimize losses.

#### *Retail*

Consumers have recently shown an increased reliance on online shopping, leading to reduced traffic, lower sales, and temporary store closures for traditional businesses. Discretionary spend is impacted as consumers postpone luxury purchases until Covid-19 desists in intensity. As such, there is a projected increase in spending in the luxury accessories, beauty, wellness, and fitness sectors post-Covid. We can expect a significant upturn as consumers make up for lost shopping time over the past year.

*As retail businesses shift towards being more online, they have to ensure adequate security measures are in place to counter cyber threats against customer data.*

#### *Impact of Digital Transformation on Retail*

With digital becoming increasingly important to consumer experience, the role of stores and showrooms will be transformed. Retailers are also benefiting from cloud deployments' flexibility and cost reductions, as retailers have huge networks of geographically dispersed branches that all require access to the same apps and services. Network architecture that spans over multiple infrastructure, on the other hand, can create a highly compartmentalized and difficult-to-secure environment. Retailers must secure customer data to acquire insights that allow them to remain competitive as the online proliferation of operations continues whilst fending off Malware, spyware, and DDoS attacks. Hence, a strong focus on cybersecurity will be required.

## Pharmaceuticals & Healthcare

Short-term effects of the Covid-19 pandemic include demand shifts, regulatory adjustments, research and development process adjustments, and a movement toward tele-communication and tele-medicine. Long-term effects could include industry growth slowing, approval delays, moving toward self-sufficiency in the pharm-production supply chain, and trend changes in health-market product consumption, as well as ethical dilemmas. The sourcing, procurement, and management of critical medical equipment inventories have been dramatically impacted by disruptions in the healthcare supply chain.

*Healthcare sector is highly sensitive with respect to privacy and security. As tele-health and remote systems get popular, security measures are the need of the hour.*

### *Impact of Digital Transformation on Pharmaceuticals & Healthcare*

During the Covid-19 pandemic, it has become fundamental for businesses, particularly healthcare companies, to embrace digital technology. Pharma businesses and their supply chain partners can now utilize digital analytics to confirm that production processes are reliable and predictable. Most countries quickly implemented virtual patient consultations using tele-health services in the battle against the pandemic, in an effort to decrease physical contact and help prevent the disease from spreading. This has in turn spurred various forms of cyber-attacks against healthcare systems, with far-reaching implications. Due to the usage of remote access systems, any device or connection can be used to gain access to the healthcare system. Addressing security aspects have become increasingly important for the healthcare sector to combat the rising cyber risks and attacks.

### **Public Sector**

Public services have been under considerable strain to administer COVID-19 related initiatives while continuing to operate normally. COVID-19 has uncovered or worsened a slew of crucial concerns which requires significant aid from the authorities. If left neglected, these social, economic, health, and educational difficulties would create severe adverse impacts to societies and their citizens' ability to thrive. The intensity and consequences of the COVID-19 dilemma differ dramatically by country, state, and locality. As a result, governments are starting the long and unpredictable path to recovery from unique starting positions, both in terms of public health and existing regional economic, social, and political settings and institutions.

*Public sector segments are highly sensitive to security lapses owing to the consequences faced by citizens. Hence adequate security investments must be made with respect to Cybersecurity.*

### *Impact of Digital Transformation on Public Sector*

Digital transformation has accelerated in the public sector as a result of an increase in remote work solutions and security concerns, with most businesses expecting digital to play a large role within their company. Many government bodies were already automating before COVID-19, but the trend is only expected to accelerate in the months ahead as agencies look for ways to continue doing business while safeguarding public employees' health and well-being. The public sector continues to emphasize strengthening data and network security and recovery as more government employees adopt remote work — and often deal with extremely sensitive material.

### **Impact of Covid-19 on Key Digital Solutions and Services**

#### Cloud Adoption:

Cloud technologies are projected to play a key role in communication, allowing for communication between customers and staff, as well as development and delivery teams to create and implement solutions via remote interfaces and improved automation.

#### *Serverless Computing*

Going serverless gives organizations more flexibility, scalability, and disaster recovery in the event of a crisis. This will alter how apps are developed, deployed, and managed. As a result, DevOps and cloud solution architects will play an increasingly important role in the future.

*As advanced technologies permeate the digital space, new cyber risks evolve around them leading to increased vulnerabilities that have to be addressed sooner than later.*

#### *Edge Computing*

This is yet another significant technological advancement that will likely be extensively adopted following Covid-19. To improve network performance, speed, and security, enterprises will bring computation and data storage closer to the devices where they are gathered, resulting in the growth of edge computing.

### *Intelligent Automation*

The Intelligent Process Automation (IPA) market is predicted to increase at a CAGR of 10.2% from US\$10.0 billion in 2020 to US\$16.3 billion by 2025. The demand for IPA solutions in the IT vertical is expanding as the demand for paperless workflow grows. Almost every IT company is working from home and collaborating via cloud infrastructure to streamline processes and for communication purposes. In the future, demand for IPA-led automated software and low-code application platforms will grow as IT organizations continue to automate operations. Nationwide lockdowns have resulted in an increase in the usage of electronic devices and applications, making it easier to plant malware into devices. Organizations will prioritize digital channels after Covid-19 to ensure operational consistency and enhance digital innovations in the post-Covid era.

### *Big Data & Analytics*

Data analytics have already played an important part in the disaster response. Data from nations that were hit earlier by the pandemic is being used by healthcare providers to estimate demand for hospital beds, masks, and ventilators. Point-of-sale (POS) data analytics are being used by business retailers to assist distributors in identifying and shipping essential items. Network traffic data is now being used by Telcos to monitor and manage network capacity, for the purposes of prioritising and planning network development decisions. Advancements in AI techniques such as natural language processing and machine vision will propel big data & analytics forward, allowing businesses to collect data for meaningful insights.

### *Internet of Things*

Due to Covid-19, businesses were impacted at every point of the supply chain. As a result, digital twins were utilized to generate digital representations of the whole supply chain, allowing customers to explore dynamic sourcing possibilities, assess risks, and weigh trade-offs to accelerate or automate decisions. According to a recent Xiaomi survey, 70% of people have changed their living space as a result of time spent at home during the pandemic. Since March 2020, 51% of people have purchased at least one smart device. Prominent IT industry leaders such as Microsoft have also claimed that companies are ramping up their digital transformation efforts.

### *Managed Services*

Most traditional business models are faced with the daunting task of having to address the challenges and risks in their operational pipeline including managing people, process and technology. Managed services are, therefore, seen by many as a critical enabler of transformation. Efficiently managed services can enable companies to leverage providers' core domain expertise and technology investments to make key functions more efficient and effective. While integrated managed services have always been a key enabler to drive cost efficiency, the pandemic has seen a great deal of focus on managed security services owing to the uncertainties on different security elements within the operations.

### *Managed Security Services*

The cybersecurity landscape is flooded with point solutions for very narrow aspects of security, only dealing with a single aspect of the security infrastructure. For example, organizations are moving portions of their data to be managed by third parties, primarily infrastructure, platform and application service providers, and may rely on such providers' internal security measures. Effective cybersecurity requires a multi-layer defence, which requires an integration of multiple technologies and expertise. It is essential for businesses to take advantage of managed security services that converge technology and expertise in ways that meet their unique needs. It will allow them to learn without risking gaps in network resilience and security, in a world that is even more digitally dependent and socially distanced than ever before.

### ***Covid-19 Impact and Digital Spend Focus in Emerging Markets***

Area	Focus	Impact Zones	Technology Adoption	Type of Technology
Individuals	Individuals	Failure of businesses, resulting in long-term unemployment, in an environment of limited government intervention; loss of	Increase in demand for goods and services, which is often enabled by online platforms, from middle-income urban households and smallholder farmers	Big data analytics, Automation and Cloud, AI, distributed power systems, supported by digital connectivity (4G and 5G)



Area	Focus	Impact Zones	Technology Adoption	Type of Technology
		skills as a result of reduced access to education and learning, in an environment of limited access to high-quality digital connectivity; reduced remittances as a result of widespread unemployment, particularly in advanced economies, and in an environment of limited social security	who are more likely to use online platforms to access markets. <ul style="list-style-type: none"> <li>Increased demand for cost-effective social welfare programmes supplied via digital connectivity, particularly among low-income households.</li> </ul>	
Businesses	Businesses	Increased operational costs as a result of social alienation in informal settings; lower access to foreign capital as a result of EM outflows; and consequent loss of international competitiveness in comparison to advanced markets competitors.	Increased use of digital financial services, automation, additive manufacturing, and remote control systems in marketable products and services (including agriculture and aquaculture; mining, oil and gas; ports and logistics; retail and manufacturing); but also in non-tradable products and services and the informal sector.	Big data analytics and Cloud, AI, Internet of Things, blockchain, robotics, drones, 3D printing, genomics, and distributed power systems, supported by 5G
Government	Government	Reduced fiscal revenue as a result of corporate failures, unemployment, and reduced foreign commerce; widening social expenditure as a result of health and education investments, as well as social welfare and economic stimulation; resulting in a growing public deficit.	Improved e-government solutions as governments, increasingly shifting online, will connect with residents, businesses, and visitors; and to operate (for example, through teleconference), thereby saving travel and event expenditures for both national and local governments.	Big data analytics and Cloud, AI, and blockchain
	Society	At the outset, increasing public perception of a	Digital surveillance for disease tracking and monitoring,	Genomics, big data analytics

Area	Focus	Impact Zones	Technology Adoption	Type of Technology
		health crisis, as a result of limited healthcare capacity; results in increasing acceptability of biotechnologies and bioinformatics tracking.	<ul style="list-style-type: none"> <li>smart cities, and digital ID are all tools for local and national governments.</li> <li>growing rise in contactless purchases to help control the spread of infectious diseases</li> <li>Advanced precision medicine for medical diagnoses, as well as an increase in the use of wearables by the general public.</li> </ul>	and Cloud, AI, Internet of Things

**Shifting Patterns for Digital Spending Owing to Covid-19**

Focus Areas	Pre-Covid Focus	Focus Shift Owing to Covid-19
Fund/Capital Allocation	Defensive stance with a focus on optimization and preservation	Attack-oriented approach with an emphasis on innovation and growth
Accountability	Project-level ownership, CIO responsibility, and technology-owned budget with on-time on-budget focus	Focus on outcomes and finance with clearly defined value and shared accountability
Budgeting	Budgets assigned to specific projects on a yearly basis that are tightly monitored and centrally administered.	Autonomous cross-functional teams with the authority to maximize investment value; capacity-based budgets and planning, which are regularly monitored and funded repeatedly
Cloud Investment	Minimal cloud investment governance	Multi-cloud architecture, product road maps, and focused innovation opportunities

**Covid-19 Impact on Cyber Security**

Organizations and individuals have reorganised a significant amount of activity into the digital sphere as they have reduced travel and in-person gatherings. Workers and students are using various digital technologies to work and study from home, as well as to pass time. All of these actions place a tremendous amount of strain on cybersecurity controls and operations. There are a few glaring cyber defects that stand out as stated below.

*Working from home has created a slew of new attack vectors*

*As businesses turn digital and remote work becomes the norm, cyber threats are on the rise and strict security controls are required to address emerging security risks.*

Cybersecurity challenges have been amplified in work-from-home arrangements such as unsecured data transmissions, lack of enforcement of risk-mitigating behaviours, and physical and psychological stressors that compel employees to bypass controls to hasten their tasks. The more difficult it is for homebound employees to access data and systems, the more they will try unsafe workarounds. Work-from-home systems will need to be secured, and incident-response technologies will need to be tested and scaled. They may also want to reconsider their access-management policies to allow employees to connect to key infrastructure using personal devices or open, internet-facing routes.

#### *Social-engineering ruses are becoming more common*

Attackers utilize social engineering gambits to fool users into giving them information, money, or access to secured systems. Companies have witnessed an increase in malware-laced email phishing attacks mimicking health, aid, and other charitable groups, sometimes using text phishing (smishing) and voice phishing (vishing) to ask employees for their security credentials, or to request for the transfer of funds fraudulently.

#### *Cybercriminals are delivering malware via insecure websites*

As new domains and websites are created to disseminate information and resources to combat Covid-19, attackers are taking advantage of the sites' weak security to transmit malware via drive-by downloads, sometimes by concealing publicly available malware within Covid-19 heat maps or early-warning programs. Once installed, a malicious application steals a user's personal information. Some malware programs launch ransomware assaults, which encrypt a user's computer until they pay a ransom to the attacker.

#### *Public sector organizations are under a lot of stress*

Public sector organisations are under extreme pressure due to insufficient cybersecurity. There have been precedented large-scale denial-of-service attacks on a big government entity in North America that disrupted its services, a hack on a large European hospital compelling ultimately the relocation of acute-care patients. A local government department's website was also encrypted by ransomware, prohibiting officials from posting public information and personnel from accessing critical data.

#### ***Pandemic-Related Examples of Cybersecurity Vulnerabilities***

Pandemic-related instances of cyber-security vulnerabilities include identity theft scams, ransomware and malware attacks, remote working related vulnerabilities such as unprotected video-conference links, and fake products involving scam websites claiming to sell COVID-19 related items such as masks and sanitizers, as a front to obtain personal sensitive information.

#### ***Shifting Focus of Cybersecurity Spending Due to Covid-19***

##### *Perimeter security*

Perimeter security will continue to be a top priority for companies when it comes to spending on security for remote workers. We can also anticipate them to invest in e-commerce security that can scale up to handle growing traffic, leading to increased spending on pay-per-seat and pay-per-megabyte licenses, as well as a transfer of finances away from in-house systems and toward outsourced services.

##### *Next-gen IAM (Identity and Access Controls)*

Companies that had put off integrating multi-factor authentication to old systems are now speeding up their implementation or migrating to cloud platforms. Teams managing business-critical systems are rethinking who qualifies for privileged access. To save time and money, medium-sized businesses are likely to favour privileged-access and identity-governance solutions, as well as advanced security analytics.

##### *Remote access*

Organizations will continue to encourage virtual workarounds for help-desks. A virtual security help desk may help remote workers with issues like email security tokens and remote desktop access, which increases productivity. We anticipate higher spending on MFA services that interface with collaboration tools and system-as-a-service solutions particularly among SMEs.

##### *Automation*

Companies that automate mundane processes have time for more valuable work. We can expect enterprises to compensate for higher workloads by introducing automated services like security orchestration and automation response tooling, rather than increasing employees or budgets, at enterprises that use outsourced services.

##### *Security training*

The crisis has provided businesses with an opportunity to emphasize the importance of cybersecurity to their personnel, particularly frontline workers. We can anticipate that organizations' cyber-awareness training will be updated to cover remote work conditions and bring-your-own-device regulations.

#### *Security for trusted third parties*

Companies that give contractors or other trusted partners network access must protect them from outside threats. Companies are likely to increase their monitoring for potential threats, which could result in increased budgets for cybersecurity. These costs are, however, unlikely to be prioritized until after any technical security gaps made more relevant by Covid-19 have been addressed.

#### ***Impact of COVID-19 on Network & Data Center Management***

Companies require considerably more data centre capacity than they currently have, as evidenced by the COVID-19 outbreak. The data centre market was valued at USD 245 billion in 2019 and is expected to reach USD 433 billion by 2025, at a CAGR of approximately 10% over the forecast period of 2021 - 2025. During the pandemic and work from home restrictions, companies were able to access, manage, and process their data from afar thanks to data centre networks that were running at full speed, deeming data centre services were categorized as one of the essential services.

*Data center managed services and security are key focus areas when it comes to addressing the demand for Network and Data Center Services.*

#### *Rising Demand for Network & Data Centre Services*

Demand for data centre and cloud solutions was already increasing due to data localization, and it has grown rapidly during the pandemic. Working from home has fuelled a surge in demand for Software as a Service (SaaS), which is clogging data centres. Outsourcing is becoming more popular, and companies are turning to third-party cloud and data centre service providers.

#### *Digitization Increasing Data Centre Investments*

Traditional data centre selection factors such as location, economics, flexibility, and size are now considered table-stakes requirements that must be met to advance to the next stage of the selection process as a result of digitization. The primary elements driving the increasing acceptance of data centre investments among SMEs and MSMEs include lower investment, flexibility, and scalability. The acceptance of data centre solutions has stemmed from the expansion of investments in emerging technologies such as IoT, AI/ML, analytics, big data, and other sophisticated technologies.

#### *Rapid Growth in Managed Data Centre Services*

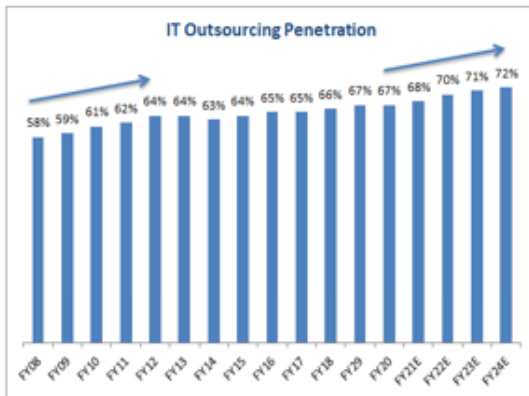
In these times of crisis, organizations require agility and continuity. Companies are turning to outsourced managed service providers since it has become increasingly difficult to gain access to data centres or maintain captive data centres. Organizations rely on colocation hyperscale providers for network optimization, installation, managed cloud, and security services because managing their digital infrastructure remotely is difficult. As a result, the data centre business will play a crucial role in the development of developing technologies.

#### ***Sustainability of Indian Technology Service companies during COVID-19***

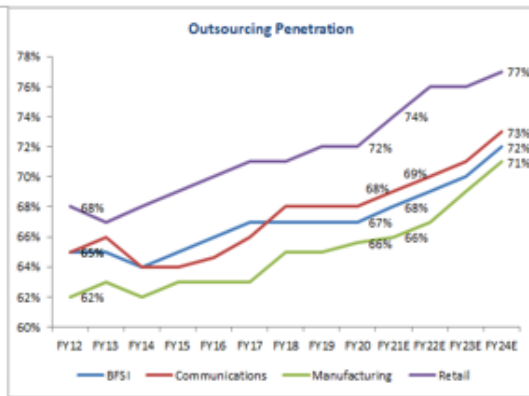
In the pandemic, the industry has adapted quickly to the remote and digital work models. Government and public institution support for work-from-home (WFH) rules, tax and related procedural relief, and stimulus packages, among other things, has benefited the industry. Additionally, the pandemic's comparatively minor impact on tier 2 and 3 cities has allowed businesses to continue operating with minimal disruption.

The industry has been recognized for its rapid activation of business continuity plans (BCP), which enabled up to 90% of the workforce to WFH and achieve crucial deadlines. The solid BCP backbone, combined with many cost-cutting measures in non-essential aspects, have aided the industry in surviving and also paved the road for expansion by reinforcing India's delivery capabilities, laying the framework for new investments.

## Indian Tech Industry – Outsourcing Penetration



## Outsourcing Penetration – Key Sectors



Source: NASSCOM, Edelweiss Wealth Research

Technology service companies such as Infosys, Wipro, and Tech Mahindra hired planes to return employees and their families who were stranded overseas due to the pandemic. Overnight, tech businesses of all sizes embraced work-from-home policies. About 98% of India's technology workforce was working from home during the peak of the lockdown. Most were able to move to a new hybrid operating model with minimal disruption for their worldwide customers, demonstrating the Indian tech industry's capability. Customers have recognized the industry's resilience, and technology service firms have remained adaptable.

Cloud usage has accelerated this year, and previously laggard areas such as healthcare and education are now leading the way in digital adoption. With educational institutions closed and hospitals dealing with Covid-infected patients, these institutions have embraced technology to enable students to attend lectures via smartphones and patients to receive non-emergency consultations via videoconferencing.

When the pandemic began in 2020, tech giants ranging from Tata Consultancy Services and Infosys to Cognizant expressed caution and took a conservative approach towards the goal of cost-cutting; Infosys and Wipro ceased issuing sales growth forecasts due to the unpredictable business environment. Concerns about clients cutting their technology expenses to save money arose as a result of the global health disaster. Unlike the 2008 financial crisis when technology and the economic downturn were inextricably linked and technology investment fell as economies slowed, the year 2020 saw technology adoption expanding at a much higher rate than the economy and enterprises.

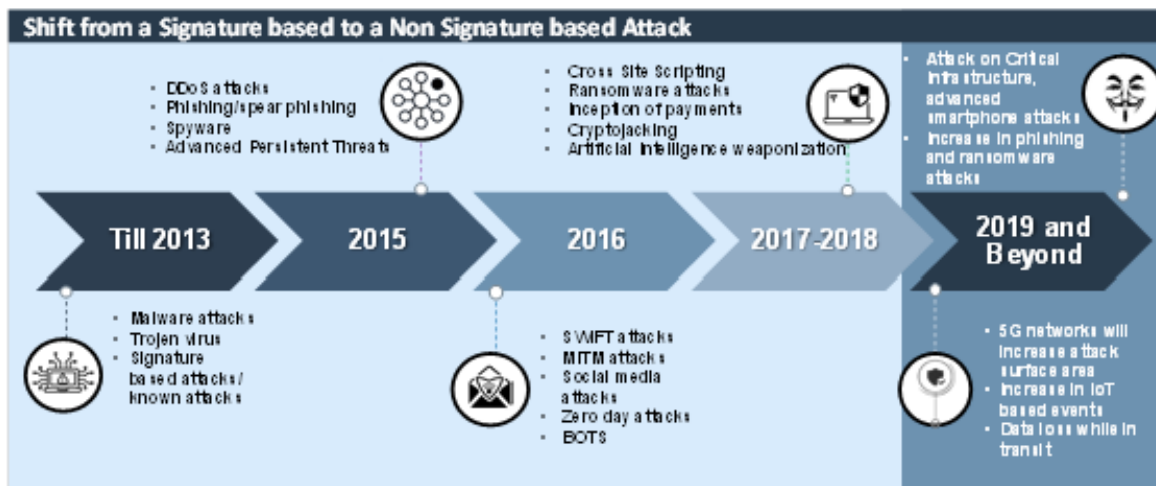
## Global Cybersecurity Market

### Global Cybersecurity Market Overview

In the height of the pandemic, the FBI reported 400% increase in cyber-attacks a day as compared to the pre-pandemic numbers. Interpol also noticed a surge in cyber threats targeted towards major corporations, governments, and critical infrastructure. Microsoft observed Covid-19 themed attacks using phishing or social engineering attacks. Ransomware attacks skyrocketed 800% during the pandemic. Summarily, cybersecurity became headlines creating serious concerns among users and businesses.

Noticeably, the type of attacks has changed drastically over the years. Earlier, cyber-attacks were known and mostly signature based. It was considerably easy for enterprises to stop malware attacks, worms, spams and Trojan horse viruses; eventually cyberthreats have become mostly unknown. Security systems are unable to identify threats as criminals leverage advanced technologies like artificial intelligence (AI) weaponization, cryptojacking, and ransomware attacks. Not only has financial theft become the major motive of cyber-attacks, long term catastrophic damage like reputational/brand impairment, existence questionability and business reliability are now the primary grounds for cyber-breaches. As per IBM, the average cost of a global cybersecurity breach today is estimated to be \$3.86 million. Moving ahead, as we engage in building practical use cases of advanced technologies, cyber criminals who would sometimes be state-sponsored, would target 5G networks, IoT devices, AI systems and automated processes.

### The Changing Cyber-threat Landscape

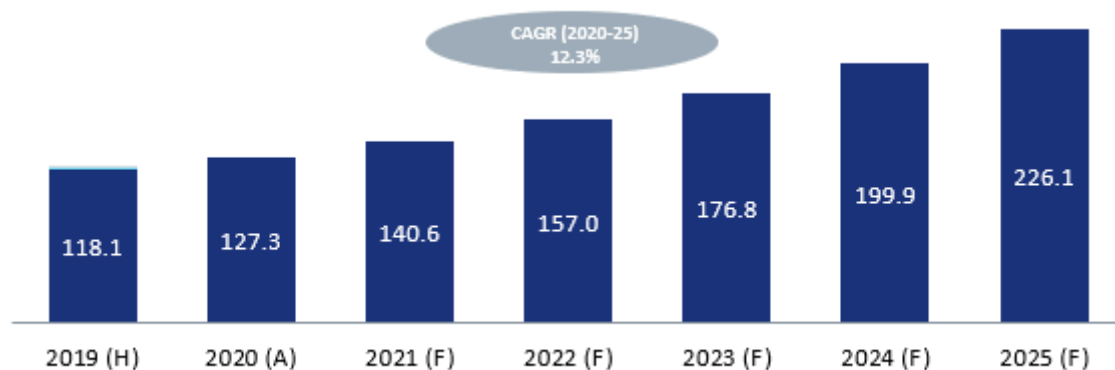


Source: Frost & Sullivan

To protect businesses and individuals from cyber-attacks, the interest among enterprises to spend on cybersecurity has increased considerably. Cybersecurity has become the top priority for CIOs as businesses look out for the best-in-class security tools and partners who could build improved cybersecurity architecture for them. Countries have also been improving their national cybersecurity commitment. Technical measures are being designed with the help of CERT, CIRT, and CSIRT that help to build implementation frameworks, technical mechanisms and national cybersecurity strategies. Stakeholders in the cybersecurity business are focusing on R&D and working on raising awareness and obtaining the appropriate certifications. Countries are also taking tangible action against cybercrime and encouraging public-private partnerships to develop best practices. Globally, countries have started to realize the importance of cybersecurity.

Despite tighter IT budgets during the ongoing pandemic, the global cybersecurity market is estimated to have grown by 7.9% in 2020 to be valued at \$127.3 billion. Enterprises continue to seek business models and tools that are inexpensive, flexible, scalable and affordable. The concept of cloud delivered security solutions would provide the much needed impetus to the growth of cybersecurity.

**Total Global Cybersecurity Market, CY 2019 – CY 2025 (USD Billions)**



\*Numbers rounded off to 1 decimal place

Source: Frost & Sullivan

#### Key Global Cybersecurity Market Highlights

- The global cybersecurity market valued at \$118.1 billion in 2019.
- Growth in 2020 estimated to be 7.9%.
- Higher growth expected in 2021 at 10.4% to value at \$140.6 billion by end of the year.
- 5 year growth projections at CAGR 12.2% from 2020 till 2025.
- North America remains the biggest market followed by EMEA and APAC.

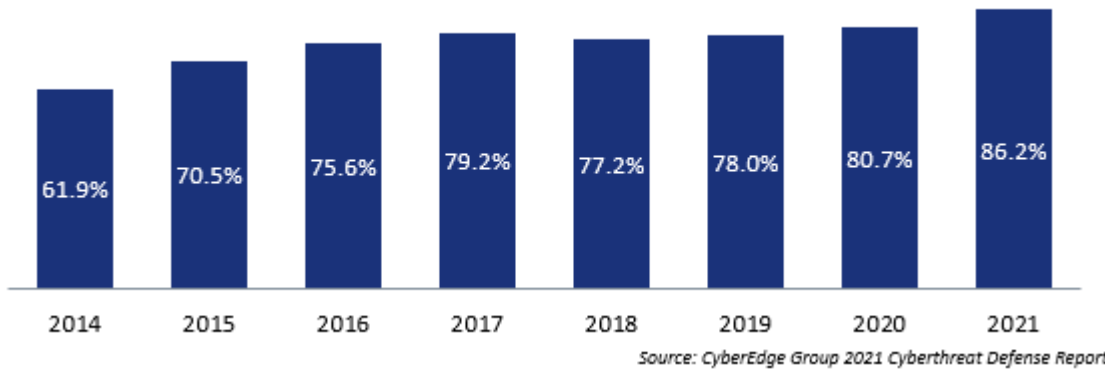
#### Global Cybersecurity Market Drivers and Restraints

##### Market Drivers

*The need to protect enterprises from voluminous and sophisticated cyber-attacks*

In the past few years, cyber-attacks have become unknown, polymorphic, multi-vector, multi-dimensional, targeted and more devastating. Legacy security tools do not work well, and next-generation products and services that can counter most of the advanced attacks are required.

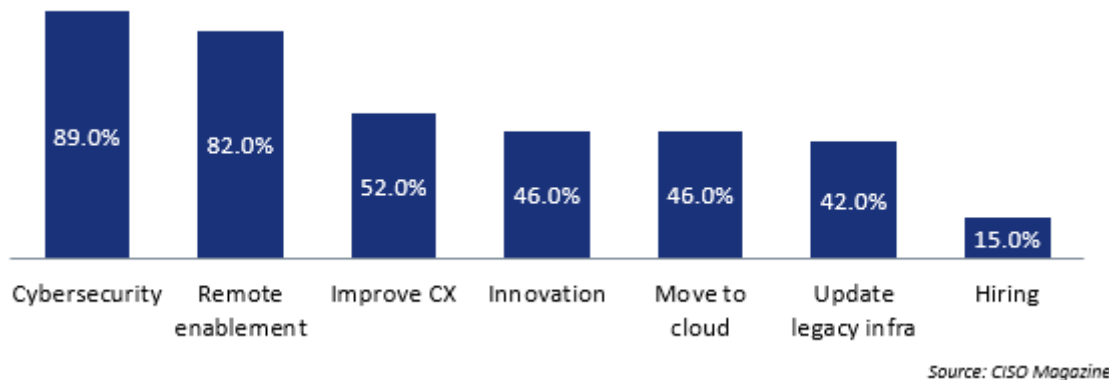
**Percentage of organizations compromised by at least one successful attack, 2014 – 2021**



*Emergence of disruptive technologies and concepts*

DT refers to use of cloud technologies, IoT, collaboration solutions, Big Data, AI / ML, and has become the growth engine for modern enterprises. While each of these building blocks are fundamental to the success of digital innovation, cybersecurity remains the single most critical element in the entire process. CIOs and CISOs put in serious thought around cybersecurity before engaging in any of the enterprise transformation processes. Summarily, the emergence of disruptive technologies has led to high-level discussions on cybersecurity.

**Top IT Priorities of 2020**



*Evolving data protection law and security mandates*

GDPR has become one of the guiding principles when it comes to data protection in Europe. Likewise, the California Consumer Protection Act focuses on consumer rights in data collection. Popular industry-specific regulations include HIPAA (Health Insurance Portability and Accountability Act), and PCI DSS (Payment Card Industry Data Security Standard). The security vendors and service providers play a contributory role to help enterprises stick to the global and regional mandates.

**COVID-19 pandemic and remote working**

While employees have been working remotely due to the COVID-19 crises, cyber-attacks have been on the rise since the outbreak with phishing and ransomware attacks. The importance of endpoint security and cloud protection has increased as security has moved from the perimeter to the endpoint and the cloud. Companies have started to consider the hybrid workplace model as the new concept enabling employees with flexi work between office and homes securing their personal devices and protecting from insecure connections.

Impact of Cybersecurity Market Drivers	2021	2022 – 2023	2024 – 2025
The need to protect enterprises from voluminous and sophisticated cyber-attacks			
Emergence of disruptive technologies and concepts			
Evolving data protection law and security mandates			
COVID-19 pandemic and remote working			

Source: Frost & Sullivan

### 5 Critical Dimensions of Cybersecurity (from a provider perspective)

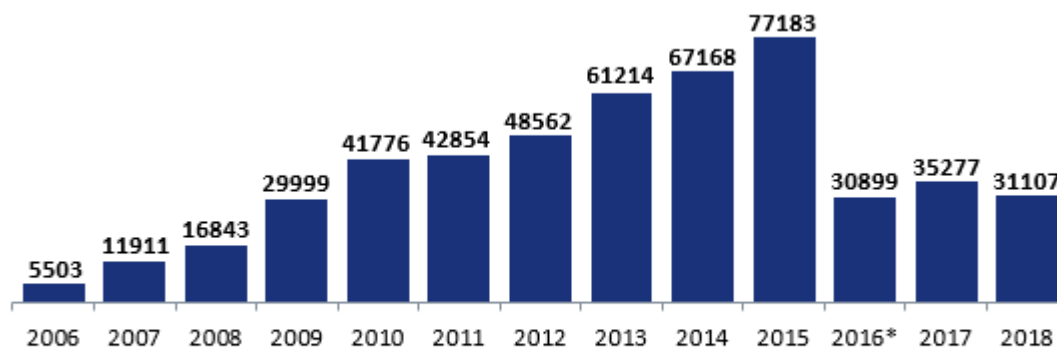
- Uses the best in class security tools, technologies and processes
- Aligned people, process, and technology
- Experience in dealing with voluminous and targeted cyber threats
- Created an element of trust among customers
- Strong partner ecosystem

### Global Cybersecurity Market across Regions

#### United States of America

Among all regions, North America currently has the highest revenue contribution of \$59.5 billion in 2020 which is expected to grow at CAGR of 10.7% in the next 5 years. USA is the largest market for cybersecurity products with 71.4% of the cybersecurity revenue coming from North America. While Covid-19 has hindered cybersecurity growth for some of the biggest economies of the world like India, the effect on the USA due to the pandemic is minor. It is believed that the cybersecurity in the country would rise from \$42.4 billion in 2020 to \$70.1 billion by 2025 growing at a CAGR of 10.5%.

#### Number of cybersecurity incident reported by federal agencies in the United States from FY 2006 to 2018



\*Changes to federal incident reporting guidelines for 2016 contributed to the decrease in reported incidents in fiscal year 2016

Source: Federal Information Security United States Government Accountability Office, Statista

#### EMEA

EMEA consists of countries in Europe, Middle East and Africa with European nations having the bulk of the revenue at 75.5% of the region in 2020. This revenue contribution would slightly decrease as MEA is likely to clock in better revenue growth at a CAGR of 13.6%. As compared to Eastern Europe, Western Europe has been major consumers of cybersecurity products and services, with United Kingdom, Germany and France leading the same. The Middle East has recently become an investment destination for several cybersecurity companies due



to the region's inclination towards next generation technologies and spending capacity. Saudi Arabia and UAE are the largest markets in the GCC (Gulf Cooperation Council) with Qatar focusing more on cybersecurity.

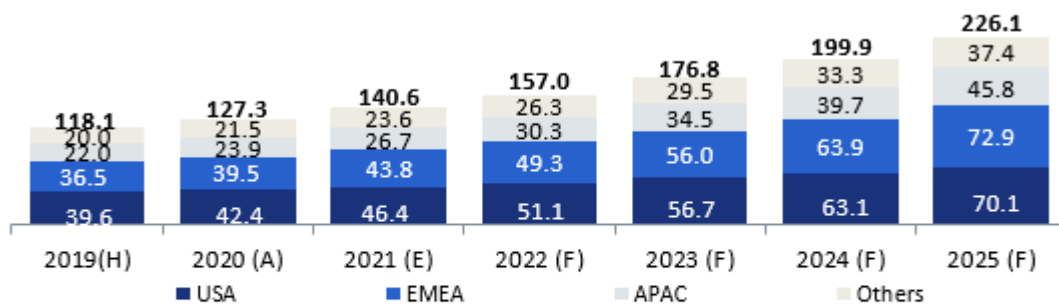
**APAC**

The region is the fastest growing, with growth projected at 13.9% over the next 5 years. Internet based attacks are likely to continue strongly in several countries within the APAC due to poor security posture among enterprises and lack of awareness among users. With an improving security cognizance, enterprises would build and upgrade their security operation centers (SOCs) to better handle advanced security threats.

**India**

The country remains the fastest growing large economy in APAC. The pandemic had flattened the cybersecurity progress curve in 2020. In 2021, however, the Indian cybersecurity market is expected to grow at 15.6% as compared to 9.5% in the previous year. In the next 5 years, the market is estimated to grow at a CAGR of 18.1% to \$5.6 billion. Several government regulations and mandates across the regulated industry verticals will push the demand for cybersecurity among Indian enterprises.

**Total Global Cybersecurity Market by Regions, 2019 – 2025 (USD Billions)**



\* EMEA includes Europe, Middle East and Africa

APAC includes India, China, Japan, Australia and New Zealand

Others include Canada and Latin America (Mexico, Central America, and South America)

Numbers rounded off to 1 decimal place

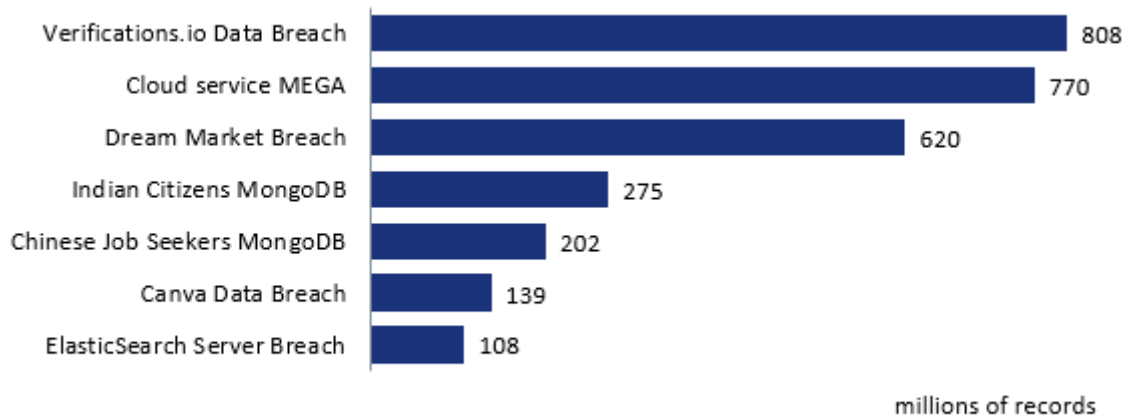
Source: Frost & Sullivan

**Insights on Cybersecurity Related Opportunities and Trends in Other Markets**

**United States of America:** In terms of adoption of advanced technologies, USA has been at the forefront. CIOs and CISOs been investing in traditional security products like firewall and email security and have been seeking help from emerging security technologies like cloud security, threat intelligence and SDDC (software defined datacenter) security. Growth of network security and endpoint protection platforms (EPPs) are likely to remain stagnant in the USA thereby opening up opportunities in specific areas like CASB (cloud access security brokerage), EDR (endpoint detection and response), SWG (secure web gateway), IAM (Identity and Access Management), MDM (mobile device management), SDDC security, information rights management, IoT security, cloud workload protection, and advanced malware protection. Professional security services (PSS) which includes security advisory, governance risk and compliance (GRC), security implementation services and technical services; are likely to see stronger traction in the domestic market.

**EMEA:** Driven by the strong growth in Europe, EMEA remains as a strong target market for most cybersecurity vendors and service providers.

**Top Data Breach Incidents in EU and Worldwide between January 2019 till April 2020**



Source: ENISA European Union Agency for Cybersecurity

In the Middle East, Saudi CIOs often consider managing cybersecurity for their enterprise to be one among the biggest technology challenge and places IT security as the first business priority. According to IBM, an average cost of data breach in Saudi Arabia costs at \$6.5 million, a 9.4% increase from 2019. IT executives strongly believe cybersecurity would be pivotal in the overall success of digital transformation and hence have started to invest on latest security tools and products. As security mandates and regulations become stronger by the day, business opportunities across segments would open up for security product companies and providers.

#### APAC

China, Japan and Australia are among the strongest revenue contributors in cybersecurity. Apart from Singapore and Malaysia, the rest of Southeast Asia has been significantly slow in cybersecurity adoption. Both these countries have been the headquarters of a few of the largest corporations in the world with strong economic importance. Referred to as a highly developed free market economy, Singapore has been ranked by the World Economic Forum as the most open in the world. However, cybersecurity has off-late been an area of concern for the country. High profile security attacks on SingHealth, Sephora, AXA Insurance, Uber and Red Cross has exposed the loop holes and vulnerabilities of Singaporean enterprises. Opportunities are high for managed security service providers to tap and explore the market which currently sees a shortage of cybersecurity talent needed to protect enterprises.

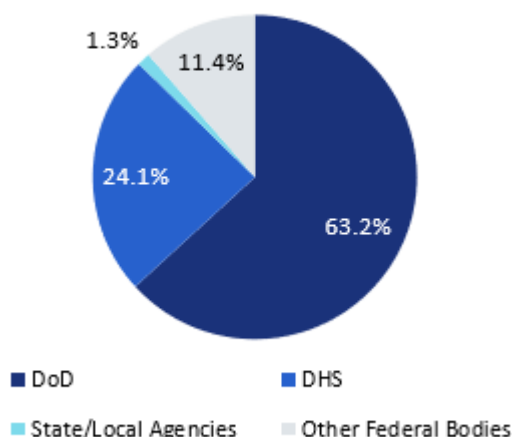
#### India

Growth opportunities in cybersecurity are high in India. For most of the security segments, be it products or services, growth rates are higher than the global market average. High potential cybersecurity segments include CASB, IAM, Web Security/SWG, and Email Security. Within security services, the managed security services (MSS) market is expected to grow faster than PSS. Service providers who have a mix of MSS plus PSS offerings are likely to benefit strongly as customers are likely to take SOC (security operations center) services along with advisory/consulting.

#### Insights on Cybersecurity Opportunities with Government Agencies and Government Projects

Government cybersecurity spending is on the rise due to steady growth in cyber defenses, threat analysis, and network fortification technologies. Most of the countries worldwide are strengthening their cybersecurity capabilities in the backdrop of several state sponsored attacks.

**Government Cybersecurity Market:  
Spending Allocation, USA, FY 2018**



Source: Frost & Sullivan

*India*

Much like other advanced nation, the Indian government has increased its focus on cybersecurity. The central government has launched initiatives which includes, among others, the development of CERT-In, the launch of Cyber Surakshit Bharat, and the formation of National Critical Information Infrastructure Protection Centre (NCIIPC).

Amid the growing number of government websites being hacked on a regular basis, the Indian government, with the help of approximately 90 organizations, security audits government websites and applications. Likewise, through the crisis management plan, the government plans to better prepare against a breach incident. The plan ensures that the cyber interruptions of critical functions in every critical sector of the government is managed. Both these government initiatives open business opportunities for cybersecurity vendors and providers to explore and chalk out revenue streams.

***Overview of the Managed Cybersecurity Services Market***

Managed Security Services (MSS) has gained higher relevance in today’s context. MSS refers to outsourcing management and monitoring of security operations for an enterprise to a security service provider. It is estimated that the global MSS market will grow at a CAGR of 21.6% over the next 5 years, much higher than several of the security product/hardware segments.

MSS comes in 2 deployment models – CPE-based and Hosted. CPE-based MSS refers to managing, monitoring, and maintaining security equipment owned by the client, housed on-premises and managed remotely from a security operations center (SOC) or by dedicated on-site personnel. In contrast, Hosted MSS is a multi-tenant security equipment sharing model where multiple customers are serviced from the service provider’s SOC using the same security equipment. Traditionally, there is more demand for CPE based MSS, with a likely shift to Hosted MSS.

***The emergence of SOC 2.0***

The success of MSS depends on the capability of a SOC. Enterprises now need to have a next-generation SOC that is meant for accelerating threat detection and response time. Also referred as SOC 2.0, it not only relies on SIEM for security monitoring, but leverages advanced MSS, Managed Detection and Response (MDR), which transcends the traditional MSS model to improve threat identification, detection, response, and mitigation.

MDR leverages ML/AI to investigate and automatically contain threats before launching an orchestrated response. It also offers holistic analysis, incident triaging, forensics, and response recommendations. Since MDR is a costly service offering due to its complexity, it has increased the average deal size of engagements thereby improving revenues for service providers. MDR utilizes threat intelligence platforms and threat hunting solutions that are key towards accelerated breach protection. Threat intelligence feeds are analysed for applicability from multiple sources. Dedicated security staff provide continuous security monitoring and operations for real-time threat alerts, incident investigations and forensics.

***The Frost & Sullivan MDR Kaleidoscope***



Source: Frost & Sullivan

One important aspect of building SOC 2.0 is the alignment of people, process and technology. People refers to building a team of SOC professionals. Through the right security process, SOC management systems are aligned, governance frameworks are built, and security policies and procedures are curated. Technology is an important building block in SOC transformation focusing on various infrastructural points. Next-generation SOC is considered to be the future of MSS that will become fundamental in threat protection.

### ***The relevance of Professional Security Services (PSS)***

Enterprises are also opting for PSS to complement MSS. Enterprises are looking for PSS in order to re-align their security architecture to the security needs, train its security team, integrate security hardware to its existing infrastructure, and run security audits like vulnerability assessment (VA) and penetration testing (PT). At a granular level, PSS consists of the following.

*Security Advisory:* Security architecture risk assessment, design, management, security policy creation, implementation, management, security risk and control framework, training, and certification services.

*Security Governance & Compliance:* Industry legislation and gap analysis, compliance services and reporting.

*Implementation Services:* Security product integration, product installation/migration, product lifecycle management.

*Technical Services:* Security audits and breach management.

Currently, the global PSS market is valued at \$13.9 billion and expected to grow at a CAGR of 17.4% to 2025. Security implementation service is the biggest market for PSS. However, strong growth is expected to come in for security advisory, governance and compliance. While large enterprises are major users of the service, mid-market companies are likely to pick-up the service specifically for security assessment and product integration.

### ***India Cybersecurity Market Overview\****

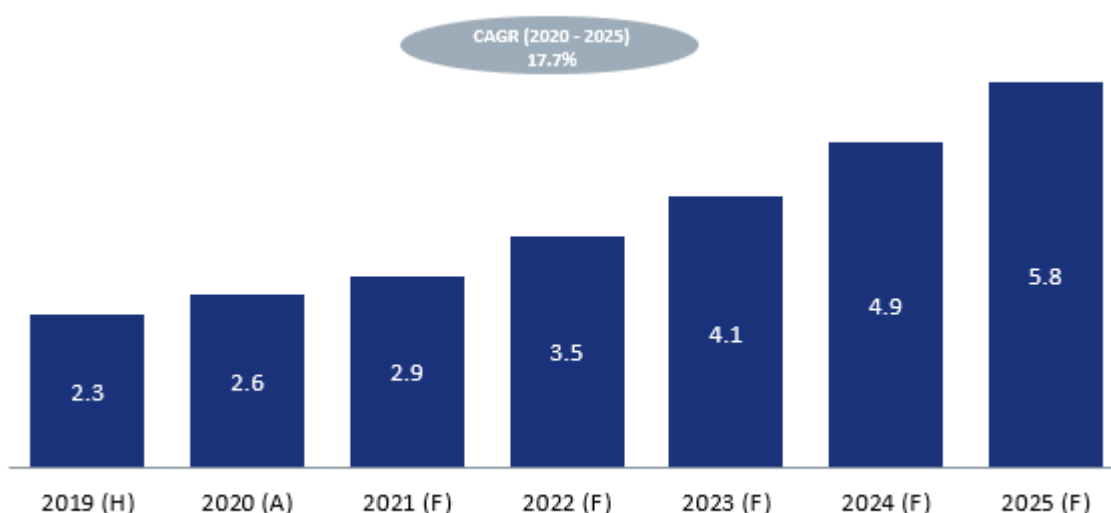
*\*Please note, this market projection for India additionally includes the SOC Build revenue which is otherwise not included while estimating the global cybersecurity market in the earlier section.*

The growing importance of internet-based services and mobile devices have positioned India as a fast growing digitized nation. The government has enrolled over a billion Indians on its flagship Aadhaar program; millions of Indian businesses have been brought under the Goods and Services Tax (GST) using a digital platform. The average number of government e-Transactions have moved up from 20 million in 2015 to around 196 million in

2020, growing at a CAGR of 58%. Corporate India has also commenced digital transformation through various initiatives with the use of emerging technologies.

### Market Size and Forecast

**\*Total India Cybersecurity Market, 2019 – 2025 (USD Billions)**



\*Includes SOC Build revenue, numbers rounded off to 1 decimal place

Source: Frost & Sullivan

The Indian cybersecurity market is currently estimated to be valued at \$2.3 billion in 2020. A lower than pre-Covid India market average growth was registered in 2020 due to the negative impact of the pandemic on the economy and spending. However, cybersecurity growth is expected to come back strongly in 2021. The growth would primarily be driven by specific product segments like Identity and Access Management (IAM), CASB, and Web Security and services segment like MSS. In approximately 5 years, the Indian cybersecurity market is expected to become \$5.8 billion growing at a CAGR of 17.7%.

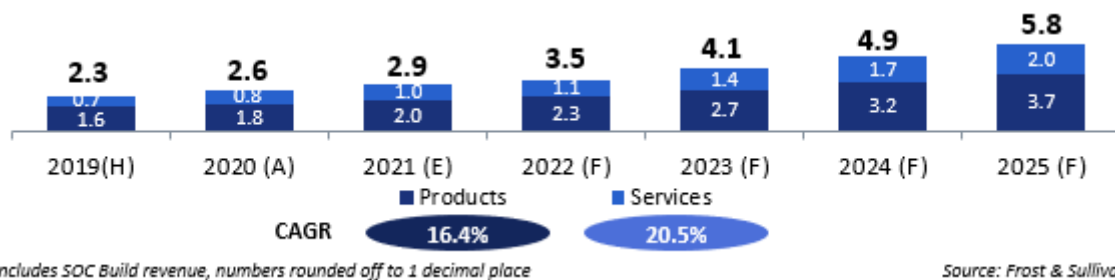
### Split between Security Products & Services Market

Security products refer to either hardware or software applications that come with a specific name, feature set, functions, standard commercial terms, and a planning process to implement changes and enhancements. Security services can often be customized per the customer requirement. It is a service delivered by a provider to enhance the security capability for an enterprise and usually includes various security products, technologies and solutions.

Security products include both traditional and emerging product lines. Traditional products include network firewall, IDS/IPS, web security, email security, and endpoint protection; emerging products constitute of endpoint detection and response, CASB, DLP, IAM, Web Application Firewall, and DDoS Mitigation. Due to the shift to working from home, the demand for VPN, IAM, endpoint security, DLP, and cloud security has surged abruptly.

While security products have always been the first choice for enterprises, the demand for security services have gained momentum. The lack of the right security skills, the need for the best security technologies, better manageability and control and all-time monitoring has pushed forward the demand for security services, including MSS and PSS. Another major reason for the rise in demand for MSS is cost savings. The managed model of security is based on operational expenditure and low capital investment which brings in the advantage of cost savings. Indian enterprises have shown stronger affinity towards MSS with large number of managed security service providers based locally.

**\*Total India Cybersecurity Market by Products and Services, 2019 – 2025 (USD Billions)**

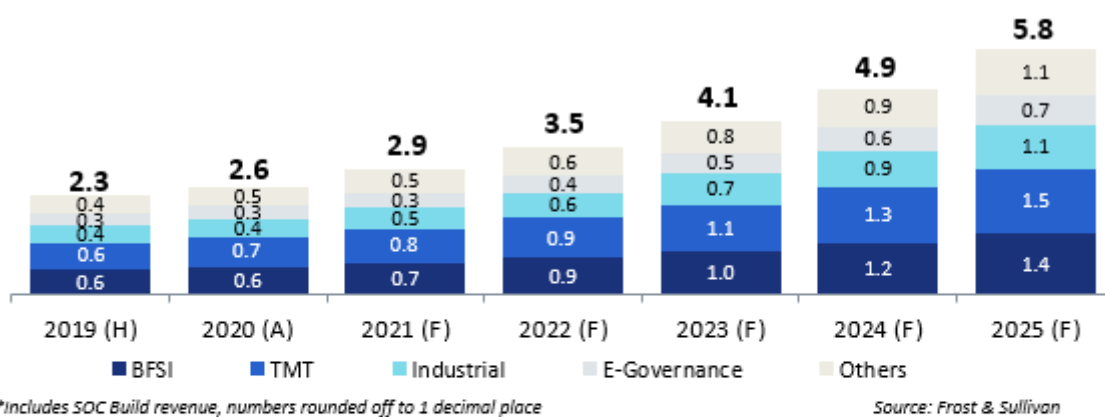


The Indian cybersecurity products market is currently valued at \$1.8 billion in 2020 with growth estimated at 8.2% in the year. The segment has faced a lull due to the pandemic, but is expected to see a significant upturn from 2021. Currently contributing to 68.6% of the market and expected to grow at a CAGR of 16.4%, the security products market is expected to be \$3.7 billion over the next 5 years. Likewise, the security services market is currently valued at \$0.8 billion and is estimated to grow at a CAGR of 20.5% to become \$2.0 billion. By 2025, the security services market is expected to contribute to 35.3% from 31.4% in 2020.

#### Market Size Split by Select Industry Vertical

Cybersecurity has been positively accepted across all industry verticals. While the regulated industry verticals like the BFSI sector has seen stronger adoption, emerging technology-enabled new generation businesses are likely to see higher growth in the next few years.

**\*Total India Cybersecurity Market by Select Industry Verticals, 2019 – 2025 (USD Billions)**



2020-2025	BFSI	TMT	Industrial	E-governance	Others
CAGR (%)	17.4%	17.3%	18.7%	17.1%	18.4%

Source: Frost & Sullivan

\*BFSI: Banking, Financial Services and Insurance;

TMT: includes IT/ITeS, Media and Telecom;

Industrial: All types of manufacturing industries along with utilities sector;

E-governance: Includes Government of India Enterprises, Defense, Railways, Post Office, Smart Cities, Judiciary, Police Stations

Others: Includes retail, healthcare, etc.

#### BFSI

To improve the security posture of the BFSI sector, the Reserve Bank of India (RBI) has come up with strict cybersecurity mandates that banks need to follow. Key highlights of the regulation include the creation of a cybersecurity policy, maintaining a crisis detection and management plan, the setting up of an operational cyber SOC as per RBI guidelines and overall IT architecture to be made conducive to security. Banks have been investing strongly in next-generation security products to counter and prevent advanced cyber-attacks.

Similarly, the Insurance Regulatory and Development Authority of India (IRDAI) has structured regulations for the insurance sector, including the appointment of Chief Information Security Officer (CISO) and implementing security policies, the creation of a Cyber Crisis Management Plan, drafting of the Gap Analysis report, designing and finalising cybersecurity policies, reporting of all cybersecurity breaches to IRDAI and Cert-Fin within 48

hours, and conducting regular vulnerability assessment and penetration testing. This requires spending on security products and services which would further increase the demand for cybersecurity within the insurance sector.

#### *TMT*

Next to the BFSI industry, the IT/ITeS sector in India spends strongly on cybersecurity. TMT which includes IT/ITeS, Media and Telecom is currently valued at \$693.2 million with 15.1% growth expected in 2021. India is a preferred destination for companies to outsource their IT and BPO. Companies understand the critical nature of customer data and are hence willing to spend on securing the data. They not only employ traditional security products such as managed firewall, IDS/IPS, and email security, but also seek advanced solutions such as EDR, cloud and mobile security, and IAM. The managed security service providers (MSSPs) have been instrumental in enterprise security.

#### *Industrial*

New technologies like IoT, automation, robotics and AI have found places in the manufacturing and utilities ecosystem which needs to be protected. OT security solutions provide control and security over identity and access management, host IDS, device authentication, data loss prevention and encryption. As India aims to become self-reliant by manufacturing locally instead of importing from outside the country, the manufacturing industry will become more important specifically with the government's "Made in India" initiative. Multi-national corporations (MNCs) have already started to set up manufacturing units in the country, intensifying investment on technology and cybersecurity that matches global standards. Local manufacturers would also have to keep pace with these MNCs as they become their vendors and suppliers. The cybersecurity market for the industrial sector is current valued at \$448.4 million and is expected to grow at a CAGR of 18.7% in the next 5 years to become \$1,056.3 million.

#### *E-Governance*

The central government has been vocal about improving cybersecurity throughout India. While it has formed various industry bodies like CERT-In and NCIIPC and taken initiatives like Cyber Surakshit Bharat and Cyber Swachhta Kendra, it has also devised multiple security plans like auditing all government websites and applications. Most of these initiatives and plans require investment in cybersecurity products across the government vertical. It is estimated that the cybersecurity market in the e-governance sector is around \$304.4 million and estimated to grow at a CAGR of 17.1% to become \$671.4 million by the end of 2025.

#### *Others*

India is slowly ramping up its healthcare infrastructure as new private hospitals are relying on the latest technology to come up with the latest treatments. The Ministry of Health & Family Welfare has also drafted the Digital Information Security in Healthcare Act to standardize and control digital health data usage process. Under DISHA, the healthcare sector in India needs to inform the owner before collecting his/her digital health data, tell the owner about the purpose of data collection, hold and store the digital health data securely, inform the owner about the entities with whom the data is being shared within three working days, and share the identity of the people who can access the data.

#### **Key Trends and Developments**

##### *The Personal Data Protection Bill Likely To Increase Seriousness Around Security*

In 2017, the Ministry of Electronics and Information Technology (MeitY) set up a committee to study data security issues. The committee submitted the draft Personal Data Protection Bill, 2018 which was approved by the Cabinet of India on 4th December, 2019 and tabled in the Lok Sabha on 11th December, 2019. However, the proposed Bill was sent to the Joint Parliamentary Committee for further examination and report and decisions still pending.

##### *Market Consolidation Would Continue In The Cybersecurity Market*

To benefit from the fast growing cybersecurity market, large security vendors and service providers would acquire niche security companies for better product offerings. Inorganic growth would help security vendors increase their expertise and market penetration much faster than building capabilities from scratch. However, the acquisition of well-established security vendors would lower the confidence among large enterprises.

##### *Enterprises Would Move Their Focus From A Reactive To Proactive Threat Mitigation*

Enterprises would look towards procuring security products that predict threats based on behavioural changes in the enterprise network. Cybersecurity products and services built on AI/ML and Security Automation would be key to threat detection and mitigation.

### *Increased Demand For Cloud Security*

While enterprises move workloads and applications on the cloud, investments on cloud security would increase considerably. Adoption of specific cloud security products like Cloud Access Security Broker (CASB), Secure Web Gateway (SWG), Data Loss Prevention (DLP) and Cloud Workload Protection Platform (CWPP) would see much higher traction.

### *Renewed Focus On Transforming Security Operations Centres (SOCs)*

Large enterprises would start transforming their existing SOCs with next-generation security tools and techniques. These SOCs would be instrumental in improving their incident response capability, threat intelligence and threat hunting expertise. Enterprises would leverage AI/ML to build 7-stage threat protection architectures (based on the NIST framework) within their SOC that would include Threat Identification, Asset Protection, Threat Detection, Quick Response, Faster Recovery, Improved Security Posture and Threat Prediction.

### *Enhancing Threat Hunting Skills*

Most Indian enterprises are challenged with the shortage of skilled cybersecurity professionals. These enterprises are either unable to identify and hire the appropriate talent, or are unable to retain them within the enterprise. These security analysts are also helpless in the face of an advanced security threat. It is this reason that spurs enterprises to start focusing on up-skilling and cross-skilling existing security analysts through cyber security programs like cyber-range.

### **Market Drivers and Restraints**

While there are multiple factors that would drive the demand or challenge the growth for cybersecurity in India, the key factors will be discussed below.

#### *Market Drivers*

##### *Digital Transformation Create The Much Required Impetus For Security Investment*

To remain competitive in the market, Indian enterprises have been picking up next generation, progressive technologies. While these technologies are deemed as highly useful, they have resulted in an expansion of the threat landscape. Enterprises and users need to secure an even larger number of touchpoints as a result. Legacy security softwares do not serve the purpose in that situation and there is hence the need for next generation security products that can identify and mitigate targeted, voluminous and multi-vector unknown attacks.

##### *Increase In Sophisticated Attacks*

Traditional security systems would fail against new-age attacks and would require advanced security tools and products that are capable of identifying cyber-threats accurately without any false positives and be able to remediate a threat quickly minimizing the impact of the damage.

##### *Security Mandates In The Regulated Verticals*

Following the cyber-attacks across Indian enterprises, the government of India and industry bodies have started to formulate security regulations in some of the sensitive and critical industry verticals. The power sector, considered as a part of critical infrastructure, has security regulations set in by CERT. These set of security mandates and regulations will ask enterprises to make investments thereby fuelling growth in cybersecurity.

##### **Rapid Expansion of the Cloud Security Market in India**

The Cloud remains pivotal in enabling digital transformation. It is considered to be one among the major building blocks for digital innovation. With an aim to build a collaborative work environment, enterprises are moving workloads and applications to the cloud.

Data loss and privacy remains the topmost concern in cloud security. Since data sharing happens using public links or setting a cloud based repository to users, it becomes easily accessible to anyone with knowledge of the link, creating a concern around data loss or theft from the cloud. There are also confidentiality issues to address. Precedents of massive cloud data breaches have raised questions around data security in the cloud. Other concerns include fraud, lack of visibility in the cloud, insider threats, identity and access control, and insecure interfaces. Organizations realize that in order to ride the digital transformation journey, it is critical to put the right cloud security measures.

Cloud security is defined as technology that is meant to protect data, applications, and infrastructure in the cloud. It protects users against threats wherever they access the internet, along with securing data and applications in the cloud. Without installing any hardware or software, enterprises can secure their cloud environment through email



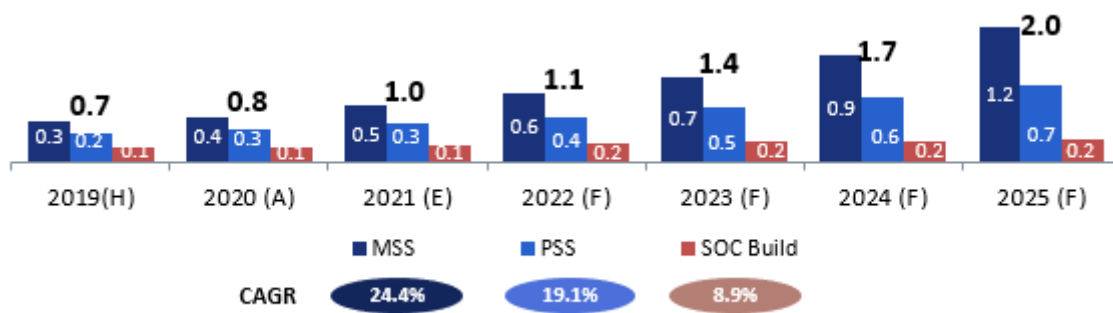
security, public cloud infrastructure visibility, real-time monitoring, workload protection, CASB, DLP, and more. Particularly for multi-cloud architectures, security teams need visibility in order to obtain real-time updates based on continuous monitoring, to automatically providing security to the elastic and fast-increasing cloud footprint.

Enterprises have started to pick the most appropriate security solutions that help them build a secured “cloud first strategy”. Cloud security has seen strong success in specific industry verticals like IT/ITeS. The BFSI sector remains hesitant towards cloud acceptance; yet they have started to push non-critical workloads into the cloud. Growth prospects in cloud security remain positive as employees continue to work from home during the ongoing Covid-19 pandemic.

#### Cybersecurity Services Market in India

The cybersecurity services market includes MSS, PSS and SOC build. The Managed Security Services (MSS) market in India is among the fastest growing security segments. Managed Security Service Providers (MSSPs) deliver all-time management and monitoring of the enterprise security either managed on-premise or serviced from the provider’s SOC. Major reasons for enterprises to partner with a MSSP include the need for all-time security monitoring; the access to best-in-class security analysts and threat hunters; the use of advanced security tools and techniques; the OPEX model of security management; and the ability to handle security threats more efficiently.

**\*Total India Cybersecurity Services Market, CY 2019 – CY 2025 (USD Billions)**



\*Includes SOC Build revenue, numbers rounded off to 1 decimal place

Source: Frost & Sullivan

The MSS market in India is currently valued at \$392.3 million and expected to grow at a CAGR of 24.4% in the next 5 years. While traditional security services would continue to be the largest revenue segment, enterprises have shown interest in building a proactive security posture.

Advanced and emerging MSS would be the fastest growing MSS segment followed by threat intelligence services. Threat intelligence covers MDR which currently sees strong traction. While SMBs have registered for MSS through Security-as-a-Service offerings and expected to grow faster, large enterprises form a large portion of the MSS market. The mid-market segment should be the near term target audience for MSSPs since this set of companies are tech savvy and has the budget to spend on security.

Next-generation technologies like Artificial Intelligence/Machine Learning, Automation and Analytics are being used in most of the advanced security solutions. Growth opportunities for MSSPs include offering advanced services like MDR, cloud security, security-as-a-service, and investment on emerging technologies to attract customers and prove its capability.

The Professional Security Services (PSS) market in India also sees strong adoption. It is expected to grow up to 2.5 times in the next 5 years. Enterprises understand the need to re-define the security architecture to meet the future threats and hence reach out to PSS providers. As the number of security mandates increase, enterprises would work closely with PSS providers to help adhere to industry regulations. Subsequently, security audits by means of vulnerability assessment and penetration testing would gain importance as enterprises perform health checks to identify vulnerabilities.

#### Competition Overview

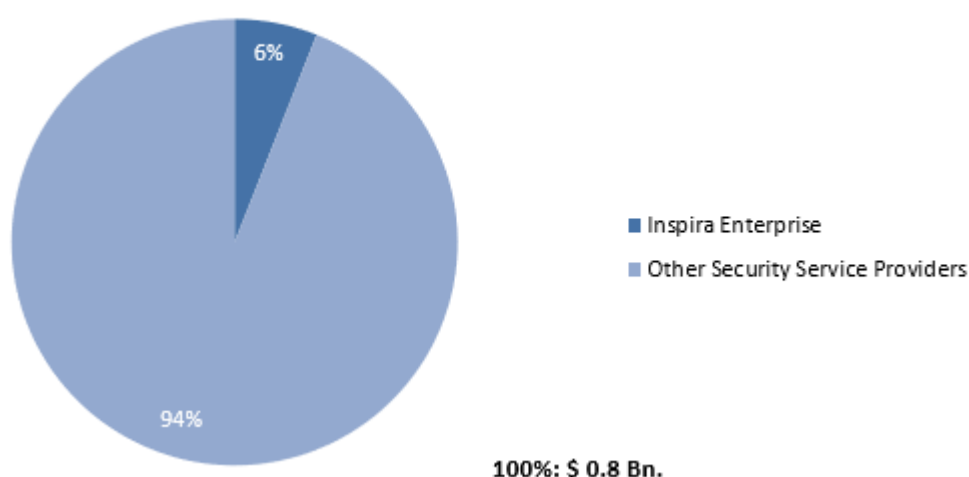
Competition in India is strong in MSS as compared to PSS. Over time, MSSPs have diverged into PSS as enterprises look for one-stop-vendors who can manage their end-to-end security operations and provide security advisory and training. Prominent names in the Indian market include:

- **System Integrators (SIs):** SIs like Wipro, Dimension Data, and IBM often bundle MSS with PSS to service their clients. They are the strongest SIs who have built and expanded their security offerings. IBM has a unique advantage of product expertise coupled with a strong services arm that gives them the extra benefit.
- **Telcos:** While Tata Communications is the largest telco who had taken the early mover advantage, Bharti Airtel through its newly launched Airtel Secure services are ramping up their cybersecurity.
- **Datacenter (DC) Providers:** Netmagic and Sify Technologies are dominant players.
- **Management Consulting Firms:** PwC, Deloitte, KPMG, EY approach enterprises through PSS and then expand into SOC offerings.
- **Emerging Security Providers and Digital Transformation Enablers:** Inspira Enterprise, Aujas Networks, Paladion have started contributing to the market through the differentiated security offerings that are based on next-generation technologies and SOC 2.0 concepts. Their offerings are better positioned, accurate, flexible, uses high quality threat intelligence and outcome oriented – making them uniquely positioned.

The Company is one of the leading players in the total MSS market, and has emerged as a strong player in the market with faster than market average growth. Their core capabilities in SOC build and operation makes them the vendor of choice and is considered one of the top 3 vendors in the BFSI segment.

The Company is a leading digital transformation company focusing on cybersecurity and possesses global presence across several industries. It has been one of the very few security transformation providers and digital enablers that stands out strongly from the rest in the Indian MSS and PSS market, like Accenture, Capgemini, and Wipro and win projects due to its capability to protect IT infrastructures regardless of size, scale or environment (on-premise or cloud). The next-generation technologies that the security vendor uses (ML analytics, EDR, deception technologies, UEBA, SOAR, threat intelligence, etc.) remains as a unique value proposition and key differentiator. The Company’s G-SOC Services have proactive management and flexible service delivery run by well-trained threat hunters and defenders, and are quick to deploy, making it ideal for all-time security management and monitoring. From security consulting services to SOC offerings, integration services and IAM solution. The Company has become a partner of choice for several enterprises that is looking to transform their security architecture and build a robust cybersecurity posture. The Company has become a “one-stop shop” for clients across multiple geographies and industries by covering phases from consulting, designing and prototyping, to product deployment, installation and integration, and ongoing support such as servicing, commissioning and monitoring.

**Total India Cybersecurity Services Market Share Analysis,  
CY 2020**



### *Next-generation cybersecurity technologies*

#### *Artificial Intelligence (AI) and Machine Learning (ML)*

Artificial Intelligence can efficiently analyse user behaviour, identify threat pattern, and mark abnormality within networks. Since AI works on collected data, it becomes much easier to identify vulnerabilities. Machine learning

has enabled security professionals to act on new threat vectors more efficiently. Benefits of using ML include the easy detection of malicious attacks and prevention of cyber-breaches, better analysis of threats across the network, endpoints, cloud and infrastructure, improvement in predictability and accuracy, process automation, and quicker threat remediation.

#### *Security Analytics*

Using big data analytics, threats can be identified at an early stage before it hits and infiltrates the enterprise IT infrastructure. Security analytics tools in threat detection and security monitoring aggregate data from numerous sources to draw patterns and build contextual security. Combining and correlating the data allows security teams to create a master data sheet that becomes the base for running algorithms. ML can add on to security analytics in order to conduct threat and data analysis in near real time.

Type of Security Analytics tools that Indian enterprises are looking forward to include:

- **Behavioural Analytics**, which examines the usage patterns of applications and devices to identify anomalies
- **Forensics**, which investigates security breaches, reconstructs and determines the event sequence, and identifies cyber threats and vulnerabilities for future reference.
- **Network analysis and visibility (NAV)**, which analyses network traffic patterns
- **SIEM**, which provides real-time analysis of security alerts generated by the network, endpoint or application
- **SOAR**, which collects software solutions and tools to streamline security operations

### **Key Global Technology Market Trends**

#### *Disruptive Trends for Technology Market*

##### *Cybersecurity Mesh*

Users can get to any digital security asset irrespective of location using a cybersecurity mesh. The advantage of this technology is that it permits organizations to put security dividers around people instead of the whole organization. The unprecedented ascent in remote workforces and cloud-driven technology has significantly affected asset security outside the organization's edge. Owing to such efficiencies, the security border covers remote workers, as more and more organizations opt to have remote working business models.

##### *Ethical AI*

Prior to Covid-19, firms that focused on AI/ML paid little notice to their ethical impact. But in today's environment, value-based stakeholders expect organizations to utilize AI in a responsible fashion in order to ensure data privacy and ethics. Organizations will increasingly opt to partner with vendors that focus on ethical AI and can implement data handling practices that reflect their own values as well as that of their customers.

##### *Hybrid Clouds*

Cloud-driven solutions have been improving business efficiencies by making data accessible while being location-agnostic. Hybrid clouds have the ability to enhance the user experience by combining public, private and on-premise proprietary cloud platforms. We can expect to witness a considerable increase in the shift towards hybrid clouds as the ability of hybrid clouds to share data and secure it in private and on-premise infrastructures will streamline business operations.

##### *Digital Health Tech*

Digital health technologies allow clinicians to maintain continued care of their patients while also keeping everyone safe and socially distanced. We can expect more innovative use of digital technology as healthcare organizations increasingly look forward to solutions that can keep patients on their care plans and prevent disease progression during a health crisis.

##### *Low-Code/No-Code*

Low-code/no-code tools are expected to witness an accelerated adoption in 2021. It puts a lot of power into the hands of small businesses, as these tools have the power to efficiently transform the customer relationship management and streamline operations data.

##### *Increased Digitization for the Financial Sector*

The BFSI sector can automate operations, decrease errors, and improve customer service by embracing digitization. This enhances customer service, saves time and fosters customer loyalty. Customers no longer need to keep cash on hand and can conduct transactions at any time and from any location. Because of the substantial benefits of digitization, businesses have begun to devote a large portion of their IT expenditures to digital

initiatives. IT budgets and, as a result, spending on digitization will rise as digital solutions mature and evolve. This is not just strategic, but also hygienic. Digitizing critical aspects of the business will increasingly become necessary to provide operational resilience and customer relevance.

*Automated Risk Management*

Risk management has traditionally been a reactive approach and has led to losses across multiple operational segments. Typical approaches are periodic and focused on a single point in time. As risk is not static, it needs to be managed in real dynamically. Automation services and advanced technologies have the ability to accurately predict and automatically mitigate the risk faced by organizations in real time.

**Digital vs. Legacy Technologies**

In 2020, the spend on digital technologies was US\$672 billion and represented around 32% of the overall technology services spend and the majority of investments were focused towards spending on traditional technologies. While the spend on digital technologies in 2020 was less than the spend in 2019 by \$19 billion, the proportion of digital technology spending with respect to the overall technology services spending has increased from 27% in 2019 to 32% in 2020.

Key benefits that digital services provide would include a better balance between customer experience and operational costs through cost reductions, quality improvements, and novel automation; strategic cost reduction to respond to changing business needs, a multi-faceted, holistic approach that saves money by utilizing the correct digital technology and methodology, and finally, long-term cost reductions through automation and other digital opportunities.

While investment in legacy services is still prevalent and much needed for most organizations, the spending on legacy service technologies is expected to witness a relatively slower growth rate with a CAGR of 2% (2020-2025). This is shadowed by the significantly higher growth rate of digital investments which are expected to grow at a health CAGR of over 27.5% through to 2025.

The BFSI sector is increasingly expected to focus more on improving customer experience and investing in digital channels that would require increased adoption of conversational AI. However, organizations within the healthcare sector will invest in technologies such as 3D printing for customizing individual medical needs, and blockchain for track and trace of diseases.

"Digital-at-scale" initiatives will also create a tremendous demand for technology, talent and skills to implement and run. The technology service organizations are well poised to ride this wave to a strong growth, with 2021 looking to be the strongest year as the wave of digital modernization programmes kick off.

**Rising Importance of Public and Private Cloud**

Businesses can select between a public cloud, a private cloud, or a hybrid cloud when developing their cloud strategy. The decision is influenced by a number of factors, including the type of business application, the associated expenses, technical knowledge, and other business requirements.

• Private Cloud	• Public Cloud
• Controls: Improved data, user, and information asset controls.	• Simple and Easy: Public clouds are easily deployable and provided as a service over the internet.
• Security: A single customer owns the cloud. As a result, the infrastructure and systems can be set up to provide maximum security.	• Cost: The initial expenditure is minimal or non-existent. •
• Superior Performance: Private clouds are typically implemented within an organization's intranet's firewall, ensuring efficiency and good network performance.	• No Maintenance Overheads: The cloud services provider is responsible for maintaining the hardware and networks. Internal IT workers are not responsible for infrastructure maintenance.

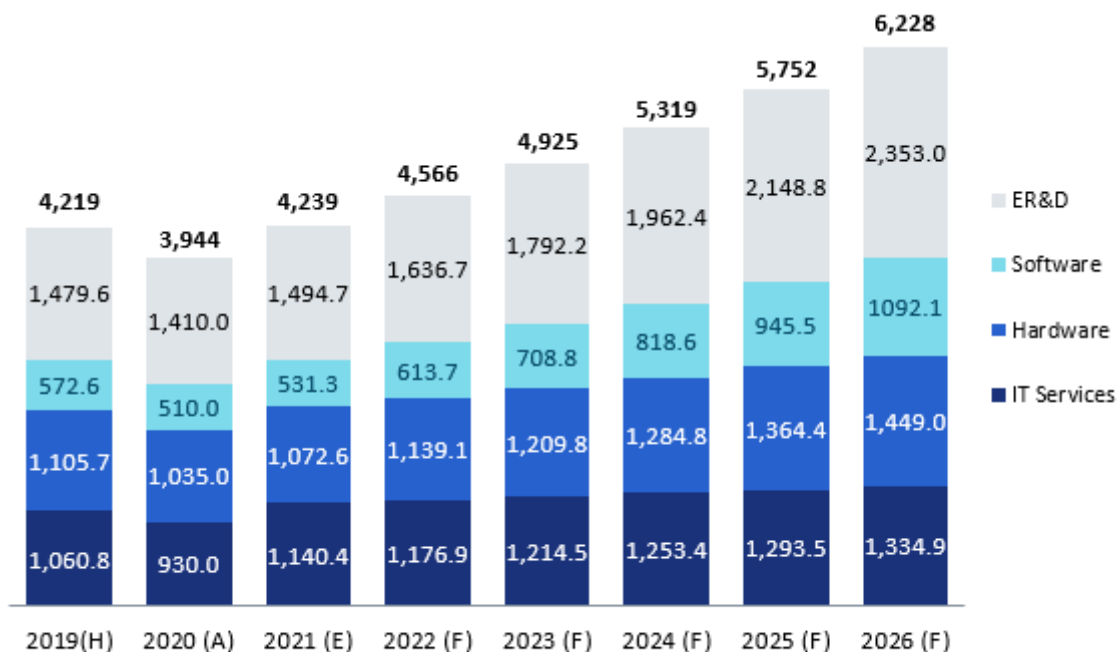
<ul style="list-style-type: none"> <li>• <b>Easy Customization:</b> The company can easily customize the hardware and other resources.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Time Saving:</b> The IT resources and services are immediately available, saving the firm time.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Compliance:</b> In private clouds, compliance is simple to achieve.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>No Contracts:</b> As public clouds are typically pay-as-you-go models, there aren't any long-term commitments with service providers.</li> </ul>

## Global Technology Market Size

### Global Technology Market Spend

The global technology spend is estimated to be US\$4,219 billion in 2019 but owing to the Covid-19 pandemic the global technology spend decreased to US\$3,944 billion in 2020. Between 2020 and 2026, this segment is expected to grow at a CAGR of 7.9% to reach a value of US\$6,228 billion by 2026. Software and ER&D are the expected to lead the growth going forward.

**Total Global Technology Market Spend, 2019-2026 (USD Billion)**



Source: Frost & Sullivan

As a result of digitization and connectivity, service providers are able to focus more on R&D, which has resulted in a continual increase in demand for apps. Main reasons for the expected market growth are increased investment on new technologies and an increase in the technology product mix within companies that have traditionally invested in non-IT solutions.

Cost reduction through automation and analytics-driven business decisions have encouraged organisations to invest more in emerging new-age solutions. Service providers have benefited greatly from the success of the "as-a-service" culture as they seek to capitalise on the opportunity of changing consumer communities and emerging technological solutions.

### Digital vs. Legacy: Definitions

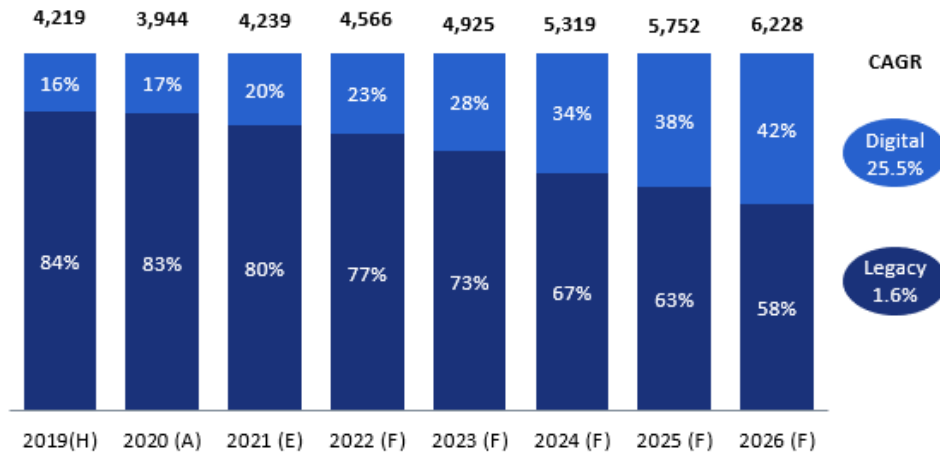
#### Legacy Services

Legacy systems are technology stacks that include multiple components. Legacy systems typically use technology that is old or out-of-date but is essential in operating the company. Legacy system investments are considerably larger, which is one of the main reasons for organizations' aversion to replacing legacy systems.

#### Digital Services

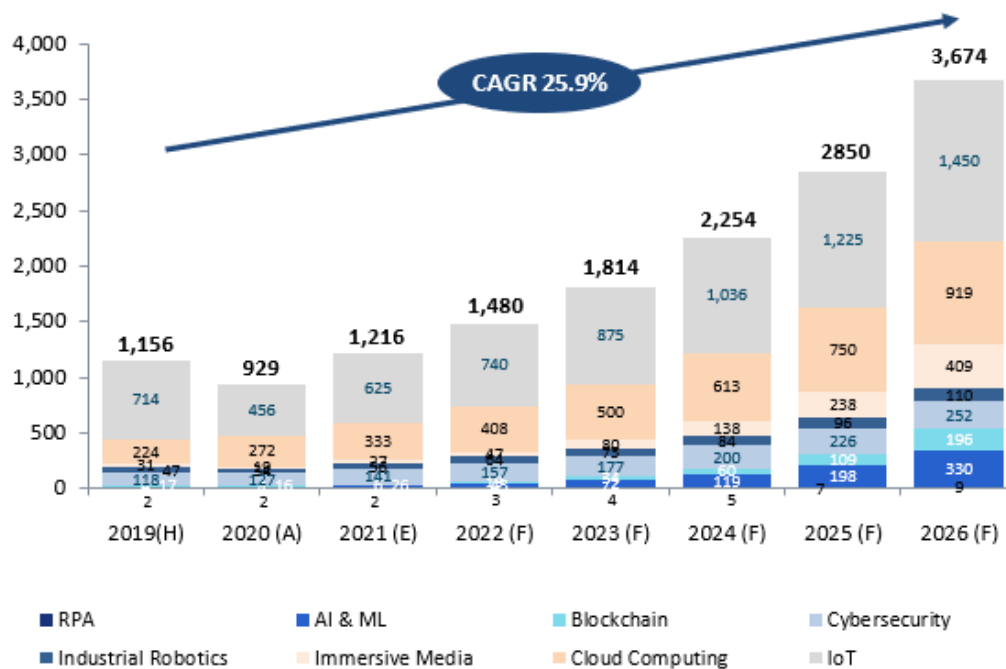
Digital service is a term that refers to a collection of software and hardware services that allow the distribution of information over the internet, and it allows businesses to take advantage of the new-age services that have flooded the technology sector. With technology convergence, the term digital refers to services that are linked through the internet within a network of technical components.

**Digital vs. Legacy Market Size, 2019-2026, (USD Billion)**



Source: Frost & Sullivan

**Global Technology Spend across Emerging Technologies: Split, 2019-2026, (USD Billion)**



Note: Cloud computing market size is defined as the spend on global cloud services; IoT market includes spend on hardware, software and related services

Source: Frost & Sullivan

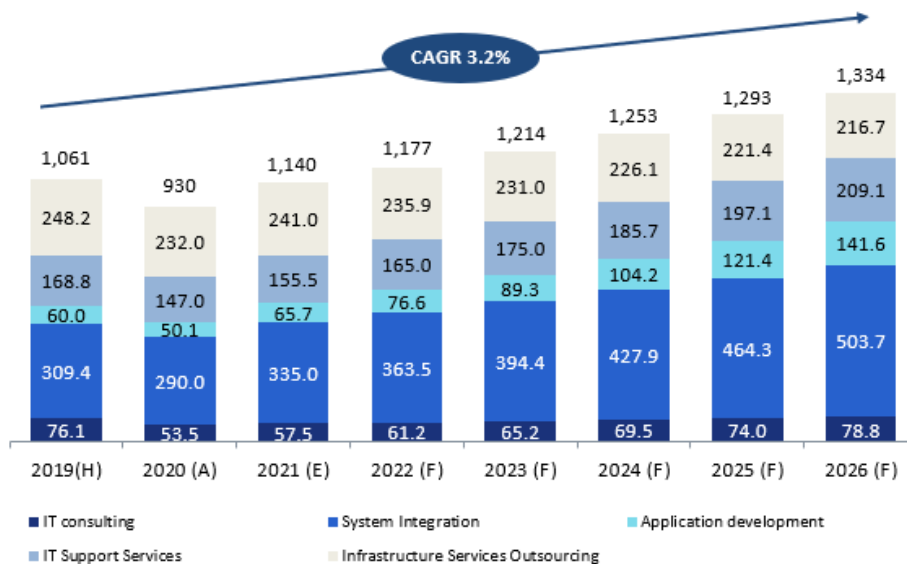
Category	RPA	AI & ML	Blockchain	Cybersecurity	Industrial Robotics	Immersive Media	Cloud Computing	IoT
CAGR	24.4%	52.6%	75.7%	11.4%	12.9%	44.6%	22.4%	10.7%

The global technology spend across key emerging technologies is expected to grow from US\$942 billion in 2020 to US\$3,558 billion in 2026 growing at a CAGR of 25.9%. Cybersecurity has always been a core component

within the technology sector and is increasingly gaining importance owing to multiple uncertainties around data security and privacy in the pandemic. Organizations are looking for increased security solutions, which is expected to drive the market at a CAGR of 11.4% and is projected to reach a size of USD 226 billion by 2025.

### Technology Services Split Across Key Functions

Technology Services Split, 2019-2026, (USD Billion)

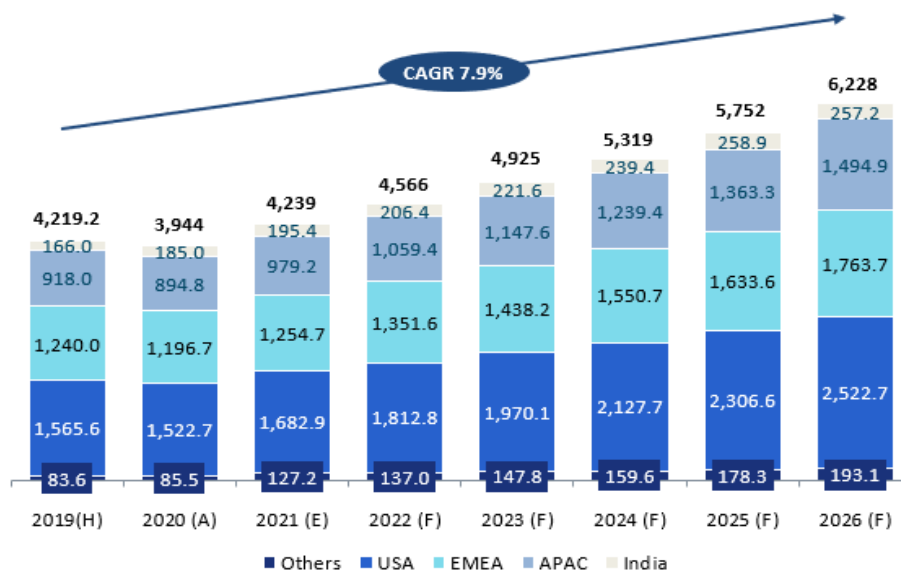


Source: Frost & Sullivan

Category	IT consulting	System Integration	Application development	IT Support Services	Infrastructure Services Outsourcing	Others
CAGR	0.5%	7.2%	13.1%	3.1%	-1.9%	-1.0%

### Global Technology Spend across Regions

Regional Split (USD Billion)

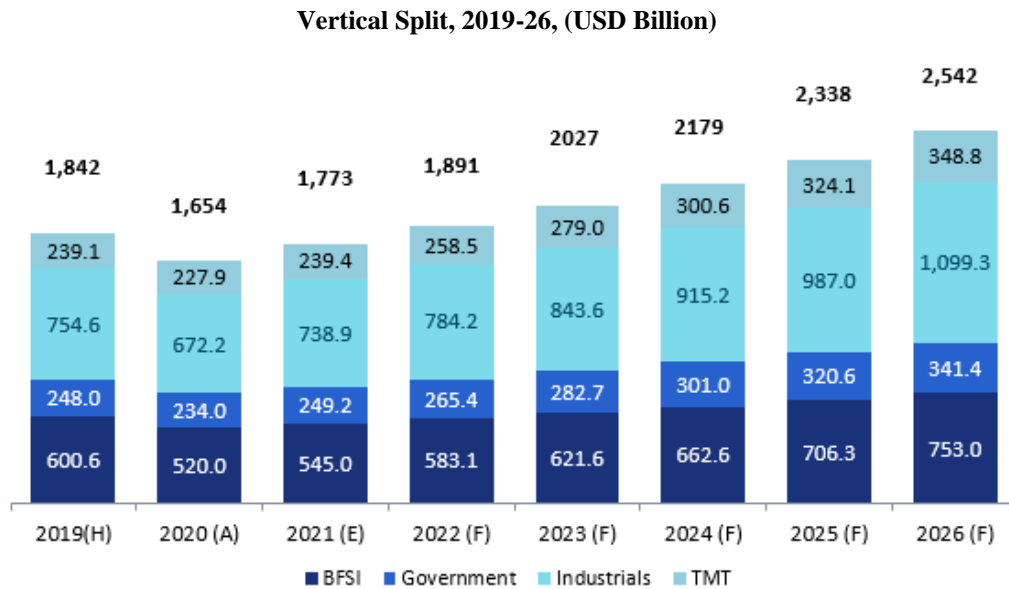


Source: Frost & Sullivan

Regions	Others	USA	EMEA	APAC	India
CAGR	13%	7%	5%	7%	6%

Of all the markets, APAC is expected to grow much better going forward owing to the rising number of technology services companies and development of the technological sector in general. India had a proportionate increase from 2019, wherein the country contributed to 4.2% of the global technology spend to 4.8% in 2020, despite the impact of the COVID-19 pandemic.

**Global Technology Spend across select industry verticals**



The chart above only represents spending across select key industry verticals.

Source: Frost & Sullivan

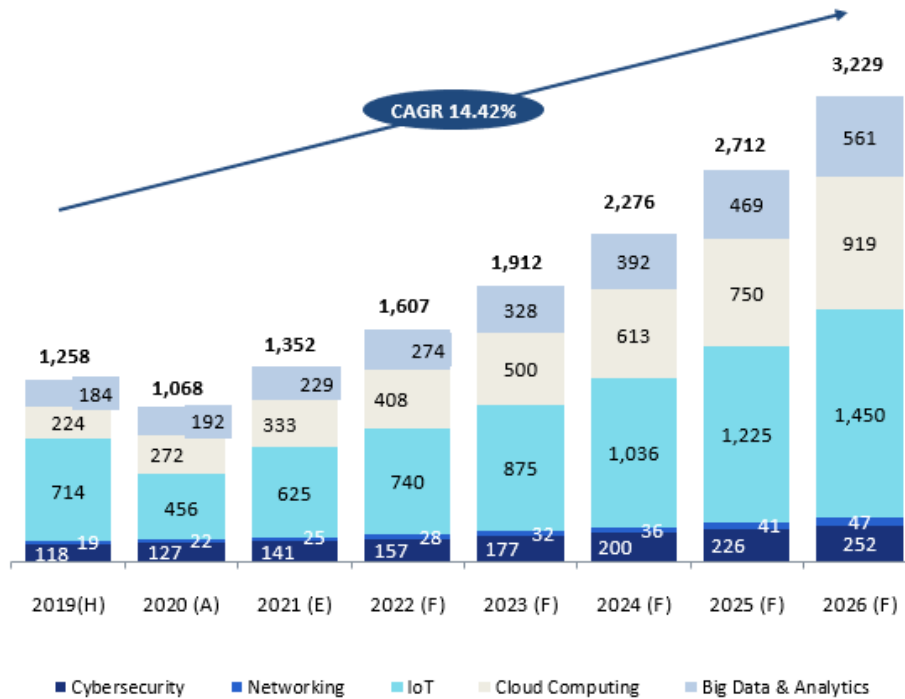
Vertical	BFSI	Government	Industrials	TMT
CAGR	3.3%	4.7%	5.5%	5.5%

Note: Industrials include Manufacturing and Utilities

**Available Market Size across Key Business Units**

**Available Market Size across Key Business Units: Split, 2019-2026, (USD Billion)**





Source: Frost & Sullivan

Category	Cybersecurity	Networking	IoT	Cloud Computing	Big Data & Analytics
CAGR	11.4%	13.7%	10.7%	22.4%	17.3%

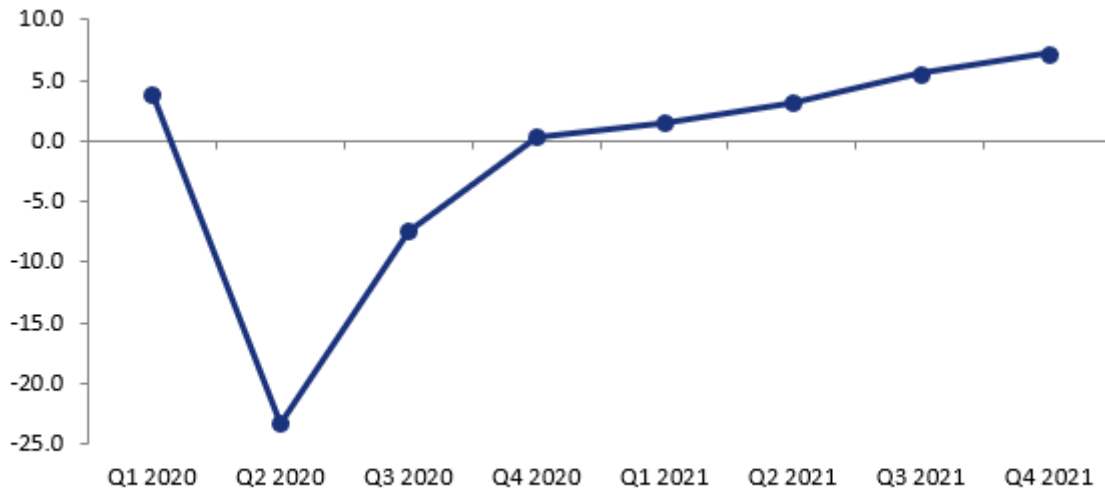
The potential revenue pool for Inspira Enterprise includes domains such as Cybersecurity, Networking, IOT, Cloud Computing and Big Data & Analytics. The available market size across these technologies stood at US\$1,258 Billion in 2019 and is expected to reach a market size of US\$3,229 Billion in 2026, growing at a CAGR of 14.4%.

### Key Indian Technology Market Trends

#### India: Covid-19 Impact on GDP

In the first quarter of 2020, India’s GDP declined to an all-time low of 23.9%. Subsequently, the GDP in the following quarters were negative but the opening up of some industries and business continuity through refined business models saw a rise of 0.4% in the quarter ending on December 2020.

#### India GDP Quarterly Growth, 2019-2021 (%)



Note: Data presented are for fiscal quarters

Source: Frost & Sullivan

It reflects a strengthening of the V-shaped recovery that started in Q2 of 2020-21, following a strong GDP contraction in Q1 due to one of the most severe government lockdowns implemented. The return of GDP to positive territory in the third quarter is an encouraging sign, indicating the decreasing effects of the pandemic-induced recession seen in the first half of 2020. The Indian government's targeted lockdown strategy and strong consumer behaviour can mitigate the second wave's economic effect. However, if its healthcare system continues to be overburdened with cases, states will be forced to enact stricter limits and the GDP growth rate may be further lowered. A lot will depend on the vaccination drive that the country is currently pursuing.

### India: Technology Profile

In India, information technology is divided into two categories: Technology Services and Business Process Outsourcing (BPO). In 2019, the sector produced revenues of USD 177 billion with the export revenue of USD 74 billion and domestic revenue of USD 16 billion, an increase of over 13% with respect to the previous year. With the Digital India initiative, the government is providing the necessary support to propel economic growth by putting technology, a key driver, in the forefront to transform India into a knowledge economy. The following highlights how India is gradually becoming a global technology hub.

*India's data center footprint is assessed at 11 million square feet. It is probably going to develop to 30 million square feet by 2030 and could maybe cross 100 million by 2060.*

In comparison to the technology services industry, India's global sourcing market continues to expand at a faster pace. India is the world's most popular sourcing destination, with a market share of around 55% of the global services sourcing market. India has a cost advantage since it is 5-6 times cost effective than the United States. The technology industry accounted for 8% of India's GDP in 2020. India's data centre footprint is assessed at 11 million square feet, and is probably going to be developed to 30 million square feet by 2030 (at a CAGR of 11.7%) and could maybe cross 100 million by 2060 (at a CAGR of 5.8%) containing 5,000 edge data centres across the nation, according to Analytics Insight.

The 'Smart City Mission', a revolutionary project initiated by the Government of India in 2015, is aiming to transform the country's urban landscape. The primary goal of this initiative is to transform all Indian cities into smart cities by leveraging technologies and promoting local area development. The government has selected 100 cities for area-based and pan-city development between 2019 and 2023. In 2020, the total allocated investments for the 'Smart City Mission' stood at INR 205,018 crore (USD 28.31 billion).

This shift to cloud services has fuelled hyper-scale data centre investments, which are expected to reach more than USD 200 billion per year by 2025. Some of the major initiatives taken by the Government to promote digital services in India are as follows:

- In Budget 2021, the government has allocated INR 53,108 crore (USD 7.31 billion) to the technology and telecom sector.
- Department of Telecom, Government of India and Ministry of Communications, Government of Japan signed a MoU to enhance cooperation in areas of 5G technologies, telecom security and submarine optical fibre cable system.
- In 2020, the government released “Simplified Other Service Provider” (OSP) guidelines to improve the ease of doing business in the technology Industry, Business Process Outsourcing (BPO) and IT-enabled Services.

### ***India: A Hub for Innovation***

Although the global economy experienced a synchronised slowdown last year, India was able to weather the storm and, according to IMF forecasts, has reclaimed its place as the world's fastest growing economy. Most emerging-market governments, including India's, recognise that innovation is the path to long-term growth and prosperity. With this in mind, the Indian government has taken a number of steps to create a supportive ecosystem.

Through initiatives like the Digital India campaign, which focuses on smart city development, rural connectivity, and increasing the number of Wi-Fi zones, among other things, the country has placed a strong emphasis on digitization. From a technological standpoint, the “New India” initiative will concentrate on key technologies such as AI/ML, IoT and robotics which will accelerate the implementation of Industry 4.0. This reinforces the expectation that India's future priority will be on achieving economic growth through the use of its digital capabilities.

The nation has shifted from being a destination for low-cost outsourced software and services to a centre for innovation as a result of the need to digitally innovate and achieve competitive advantage in the technology landscape.

### ***India: Value Proposition and a Destination of Choice for Digital Services***

The Indian IT-ITeS industry is at a crossroads, with new technology and digital services expected to propel it forward. With the rise of digital platforms, the industry is seeing an uptick in demand for talent in these fields. Great advances are anticipated in vital sectors as a result of increased allocations through the Union budget and increased R&D investments. With a visible increase in patents, the government's initiative to concentrate on R&D has expanded growth prospects for science and technology. A growing number of foreign companies are establishing R&D centres in India.

#### ***Ease of Doing Business***

India's ranking on the World Bank's Doing Business Report (DBR) of 190 countries, has improved from 142<sup>nd</sup> position in 2014 to 63<sup>rd</sup> position in 2020. It has earned a place among the world's top 10 improvers for the third year in a row.

#### ***Abundance of Talent***

According to the World Economic Forum's Global Talent Competitiveness Index (GTCI) which assesses a country's ability to manage talent, India has climbed eight places to 72<sup>nd</sup> place. A main reason for the upward trend is the country's continued emphasis on leveraging the digital economy for economic success.

#### ***Digitally Proficient Workforce***

With tech-led start-ups and technology service companies driving a large number of businesses in the region, there is a greater emphasis on digital revenues, indicating that digital technologies are becoming more prevalent. With such momentum, the Indian technology sector has continued its hiring spree with 130,000 new hires, and the country is projected to have 884,000 digitally qualified talent by the end of this year.

#### ***Global Capability Centres (GCCs)***

India is currently home to over 1250+ Multi-National Companies (MNCs) with a total employee count of over one million. The ER&D dominance of the country in the Asian region has seen it become one of the top choices for global MNCs. Between 2015 and 2018, India has seen a three-fold increase in the number of unicorn GCCs and as of 2019 there are eight global unicorns with centres in the country. Most of these unicorns tap into the country's talent for platform/service engineering.

## ***Various growth drivers in the industry***

### *Start-up Explosion*

In India, there are over 21,000 start-ups, with about 9,000 of them being technology based. The number is expected to rise as a result of successful sales growth and favourable M&As. Companies have shifted their attention to the domestic market as a result of the success of local companies. The start-up sector has been doing well lately, and although it is expected to have a medium impact in the short term (Fiscals 2021-23), it is expected to have a major impact in the long term (Fiscals 2023-25).

### *Focused Government Initiatives*

The Indian government has been promoting a digital economy through digital India campaigns and smart city innovations. The Indian government has also aided the technology services sector by providing funds for digital education, training, and technology outsourcing. In both the short and long term, government-aided production of digital services is expected to have a significant impact.

### *Traction from Rural Areas*

Rural areas are already linked by 4G; 5G is expected to increase connectivity adoption, especially since more people use smart devices. Service providers should expect healthy growth. Connected environments and the maturing of IoT are expected to lead to new use cases the manufacturing and retail industries. Though connectivity in the rural sector is expected to expand moderately in the short term, it is expected to have a substantial impact in the long term with the imminent adoption of 5G.

## ***Key Government Initiatives for Growth of Digital Services***

### *Cyber Surakshit Bharat Program*

Cyber Surakshit Bharat is launched by the Ministry of Electronics and Information Technology (MeitY) to tackle cyber attacks, and is considered to be the first public-private partnership (PPP) of its kind and will leverage the expertise of the IT industry in cybersecurity. This program illustrates that PPP model is crucial and plans to set up advanced programs/schemes/knowledge centres for capacity building of cybersecurity.

### *Digital India Initiative*

Under the Digital India initiative, MeitY has set up the Cyber Swacchta Kendra (Botnet Cleaning and Malware Analysis Centre) operated by the Computer Emergency Response Team (CERT-In), to work with internet service providers and product or antivirus companies to provide information and tools to users on botnet and malware threats.

### *Upgrading of IT Resources and Infrastructure*

The Securities and Exchange Board of India (SEBI) is upgrading its IT resources with a particular focus on data analytics to improve its supervision of the securities market. The MeitY had, in November 2020, released the draft data centre policy that will help the government provide infrastructure status for the data centre sector.

### *Increase in National Budget for Digital India*

Digital India, proposed data localization law and data center polices by the central and state governments are the major driving factors behind India's data center boom in the recent years. In order to improve AI, IoT, big data, cybersecurity, machine learning, and robotics, the Indian government increased the budget for Digital India to USD 477 million in 2020. India's flagship digital initiative aims to improve internet accessibility by encouraging e-governance, e-banking, e-education, and e-health.

### *Usage of Artificial Intelligence and Digitisation*

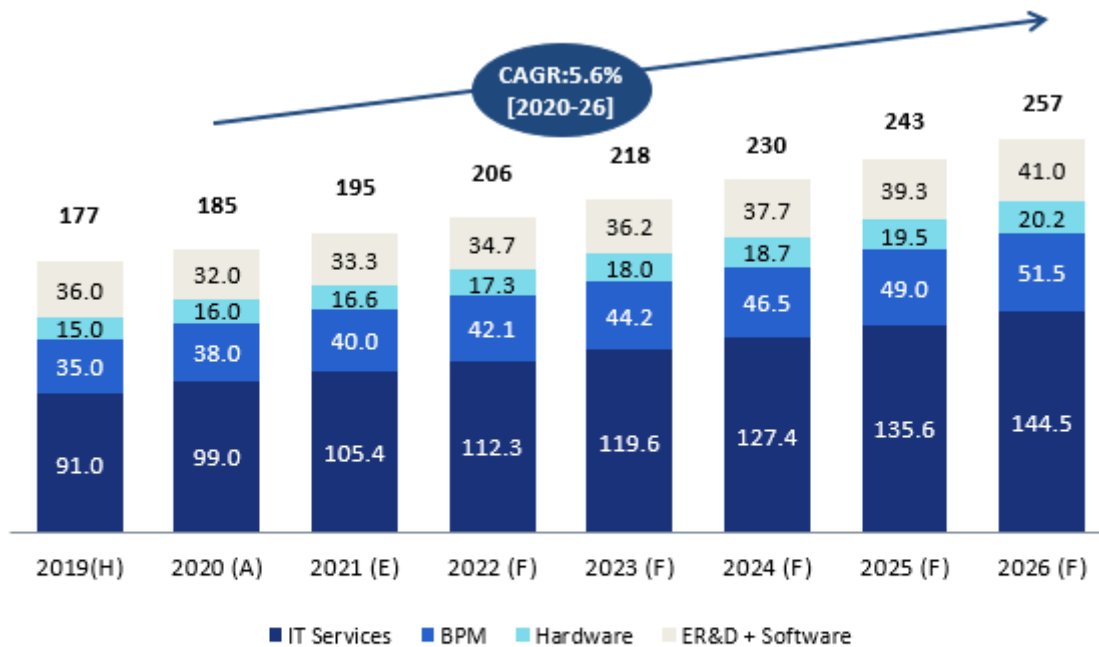
Policy-level initiatives MeitY and programmes around AI by NASSCOM and Defense Research & Development Organization (DRDO) have laid the groundwork for future disruption and created a roadmap for AI in India. Digitization of records in initiatives like Aadhar, electronic voter IDs and repositories for the e-storage of government information, and electronic service delivery is enabled through schemes such as eKranti, which is aimed at providing digital solutions to sectors such as healthcare, agriculture, education, and finance.

## **India Technology Market Size**

### India Technology Market Spend

The technology sector in India stood at US\$185 billion in 2020 and is expected to witness a growth of 5.6% CAGR to reach US\$257 billion by 2026.

**Total India technology market expenditure, Fiscals 2019-2026 (USD Billion)**



Source: Frost & Sullivan

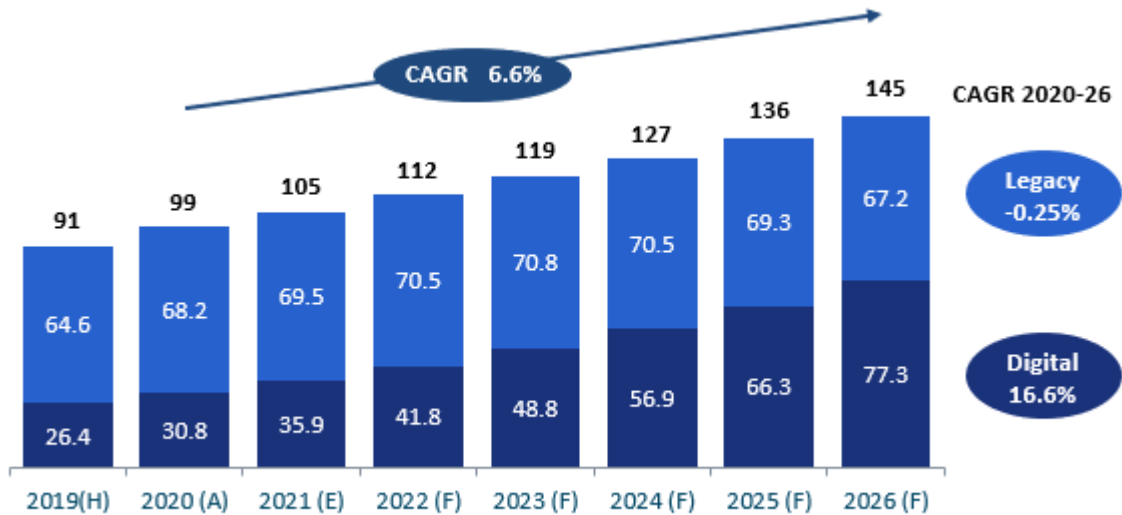
Category	IT Services	BPM	Hardware	ER&D + Software
CAGR	6.8%	5.7%	4.4%	1.9%

The technology sector, which accounts for 8% of GDP and 52% of the country's services exports, added 138,000 net new hires this fiscal year, bringing the total workforce to 4.47 million. During the pandemic year, there was a 10% increase in outcome-based pricing. In comparison to 2019, offshoring increased by 4% in 2020.

### Technology Services Split Across Digital/Legacy

Digital services are expected to gain significant traction going forward and witness a growth of 16.6% year-on-year to reach US\$77.3 billion by 2026. Legacy services is expected to grow at a CAGR of -0.25%. The Covid-19 pandemic has essentially pushed organizations to foster a digital culture within their organization's operational structure owing to the tangible benefits of digitization.

**Digital & Legacy split (USD Billion), Fiscals 2019-2026**



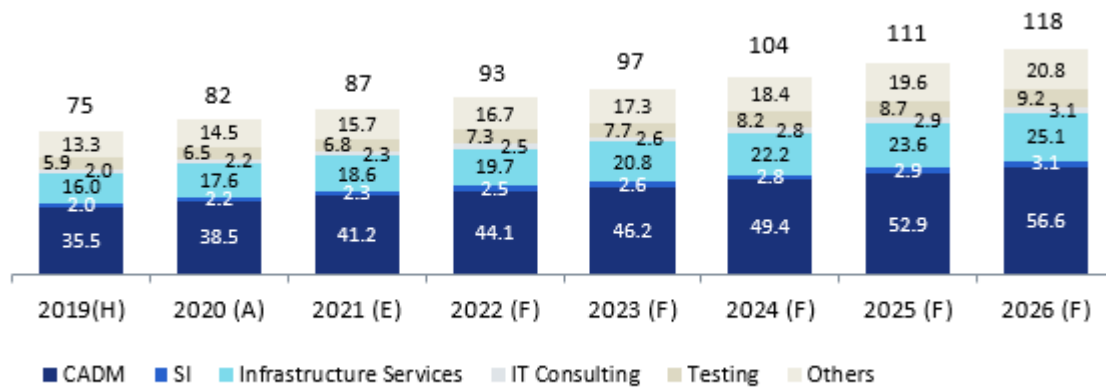
Source: Frost & Sullivan

Because of the attractiveness of cost-effective digital alternatives, digital services are projected to expand faster than legacy services. Further, an increasing number of businesses want to digitally reinvent themselves to keep ahead of the technological curve and ensure the long-term viability of their operations to remain competitive. Many businesses in the technology industry have already introduced digital services in their offices to boost productivity and cut costs.

**Technology Services Split: Split of Domestic & Exports by Services**

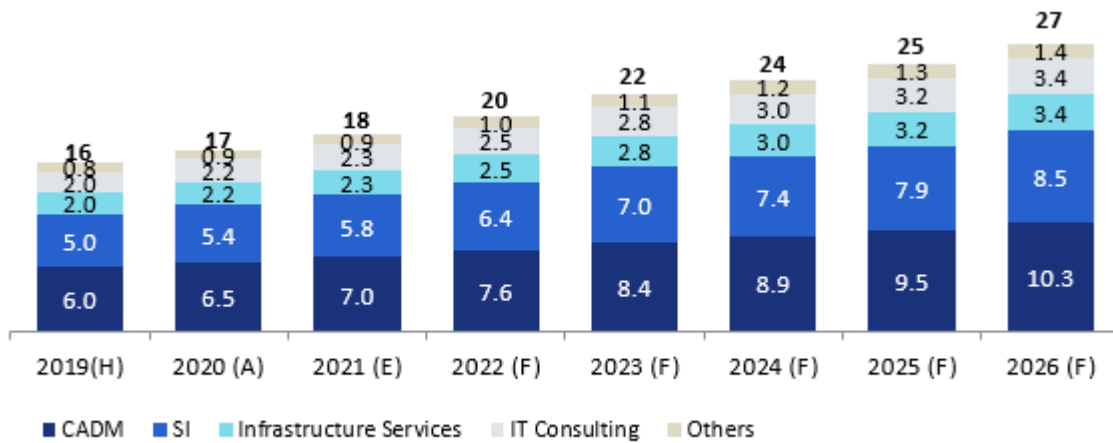
Exports from the industry increased to US\$75 billion in Fiscal 2019, while domestic revenues advanced to US\$16 billion.

**Technology Services Split of Exports (USD Billions), Fiscals 2019-2026**



Source: Frost & Sullivan

**Technology Services Split of Domestic (USD Billions), Fiscals 2019-2026**



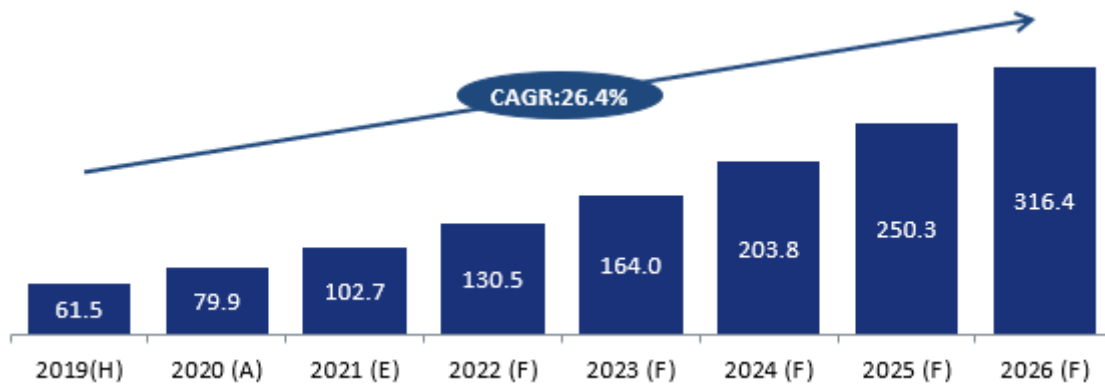
Source: Frost & Sullivan

### Cloud Infrastructure Services (CIS) Market

Cloud Infrastructure Services (CIS) also known as Infrastructure as a Service (IaaS), are made of highly automated and scalable computing resources for accessing, monitoring, and managing remote data centre infrastructures. Rather than purchasing hardware directly, consumers can pay for IaaS on a consumption basis.

#### Global Market Size of Cloud Infrastructure Services

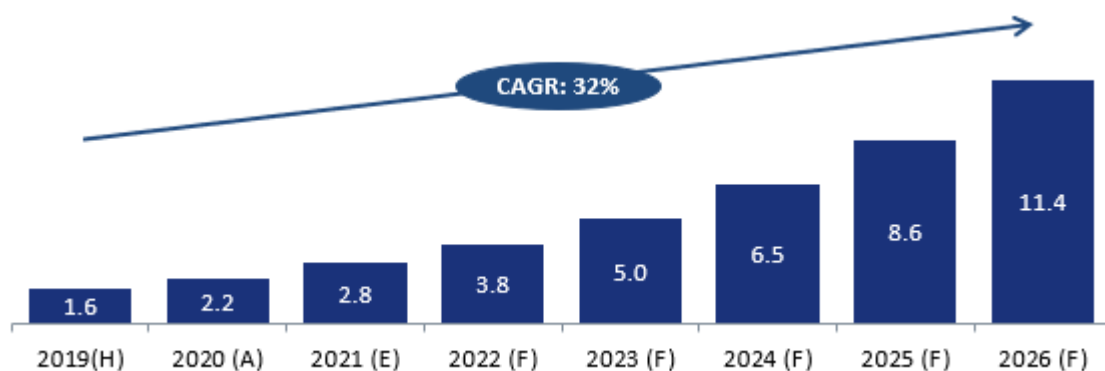
CIS Market Size (USD Billion), 2019-2026



The global CIS market was valued at US\$61.5 billion in 2019. Despite the pandemic, cloud services gained significant traction in 2020, which saw the spending on CIS rise up to US\$79.9 billion in 2020. This is expected to potentially grow at a rate of 26.4% CAGR to reach a market value of US\$316.4 billion by 2026.

#### Indian Market Size of Cloud Infrastructure Services

CIS Market Size (USD Billion), 2019-2026



In India, cloud infrastructure services have become critical for enterprises due to the desire for higher operational efficiency. Expanding prospects in the global technology outsourcing market, the consumerization of technology,

the demand for agile technology expenditure and the proliferation of India's start-up ecosystem have all played key roles in the development of the CIS market in India. In 2020, the market stood at US\$2.2 billion which is expected to reach a value of US\$11.4 billion by 2026, growing at a rate of 32% CAGR.

### ***Key Trends and Developments***

The CIS market performance will stay strong in 2021, with the top five key providers' recording an average revenue growth rate of 42% in 2020. Some key trends are as follows:

#### ***Hybrid & Multi-Cloud***

Per Frost & Sullivan Global Cloud User Survey 2020, hybrid and multi-cloud had become the norm. Businesses will continue to move away from vendor lock-in to flexible, best-in-class platforms for their workloads and applications. 42% of enterprises worldwide used a hybrid cloud, with another 43% planning to implement it by 2022. To support this demand, companies like AWS, Google and Microsoft had all offered their versions of cloud platforms.

The increasing adoption of hybrid and multi-cloud environments has created a management burden. Businesses are discovering that implementing a hybrid cloud is not the same as maintaining it. Enterprises now need synchronicity across multiple environments to navigate and manage workload placement, cost, and performance.

Hybrid environments hinders public cloud IaaS growth. While businesses continue to develop and deploy applications in the public cloud and migrate legacy apps, they are choosing to keep some applications in their own infrastructure. Top reasons include app performance, data sovereignty and compliance with local regulations, and challenges in migrating large data sets. In response to the increasing demand and to remain client-relevant, cloud providers have introduced on-premises-based infrastructure, enabling businesses to easily integrate on-premises and public cloud environments in a hybrid configuration.



## Key Market Drivers for CIS

			2020-22	2022-24	2024-26
01	<b>Improve business process efficiency and quality</b>	Improve business process efficiency and quality. The flexibility and scalability offered by CIS, as well as the access to next-generation technologies enable businesses to be more efficient and make better, more informed decisions.	✓	✓	✓
02	<b>Improve customer experience</b>	Improve customer experience. The pandemic resurfaced gaps in customer experience in a remote, online, and digital world. CIS will be the foundation to provide enhanced customer interactions, products, and services.	✓	✓	✓
03	<b>Improve employee productivity</b>	Improve employee productivity. The pandemic is compelling companies to transition all or most employees to remote work in 2021, some indefinitely. This highlights the need to protect employee and company data, provide adequate employee equipment, and deliver cloud-based audio/video conferencing and performance management applications to ensure employee productivity remains undisturbed.	✓	✓	✓
04	<b>Faster Delivery</b>	Deliver products, services, and applications faster. Businesses will continue to turn to IaaS for its flexibility, performance, and high availability to respond to the current crisis and prepare for future disruptions. This enables them to test products and services and put them into production quickly, innovating faster.	✓	✓	✓
05	<b>Increase business agility</b>	Increase business agility. The pressure to quickly transition to remote work while keeping company and employee data safe and responding to changing customer demand revealed companies' need for agility and flexibility. CIS is a key enabler.	✓	✓	✓

 High
  Medium
  Low
  Neutral

## Competitive Landscape

### Leading Digital Service Providers Globally Compared

Leading service providers witnessed higher than industry growth rates for their revenues and profitability.

	CDW	Tech Mahindra	Mindtree	HCL
Headquarters	USA	India	India	India
Market Cap (\$ BN) (as of 12 <sup>th</sup> May, 2020)	18.84	7.4	5.3	34.9
Employees	9982	125236	21991	167977
Financial Metrics				
Revenues (2015) (\$MN)	12989	4050	596	4698

Revenues (2020) (\$MN)	18468	5111	1090	10175
Revenue CAGR (2015-2020) (%)	7.29%	4.76%	12.83%	16.71%
Profit Before Tax (PBT) (2015) (\$MN)	647.2	611.5	105.8	981.3
Profit Before Tax (PBT) (2020) (\$MN)	1002.3	729.9	205.1	1699
PBT CAGR (2015-2020) (%)	9.14%	3.60%	14.16%	11.60%
Profit After Tax (PAT) (2015) (\$MN)	403.1	480.4	82.8	776
Profit After Tax (PAT) (2020) (\$MN)	788	580.3	151.9	1197
PAT CAGR (2015-2020) (%)	14.35%	3.85%	12.90%	9.06%
EBITDA (2015) (\$MN)	975.8	657.7	89.2	1009
EBITDA (2020) (\$MN)	1604.7	925.6	247.5	2108
EBITDA CAGR (2015-2020) (%)	10.46%	7.07%	22.64%	15.88%
Revenue / Employee (\$MN)(2020)	1.850	0.041	0.050	0.061
Cost / Employee (\$MN)(2020)		0.03	0.045	0.052
EBITDA / Employee (2020)	0.16	0.08	0.01	0.01
<b>Financial Ratios (%)</b>				
Gross Margin (%) (2020)	17.38%	25.10%	17.30%	40.10%
Operating Margin (%) (2020)	6.43%	14.24%	14.90%	20.40%
EBITDA Margin (%) (LFY) (2020)	8.73%	15.50%	20.79%	26.60%
ROCE (LFY) (2020)	24.32%	23.79%	41.43%	33.59%
ROE (LFY) (2020)	83.86%	21.53%	29.79%	26.48%

Note:

1. Cost per employee is calculated by adding their gross wages to the total cost of related expenses (including annual payroll taxes and annual overhead), then dividing by the number of hours the employee works each year.
2. Return on capital employed (ROCE) is calculated by dividing net operating profit, or earnings before interest and taxes (EBIT), by employed capital.
3. Return on equity (ROE) is calculated by dividing the company's net income by its average shareholders' equity

	TCS	Capgemini	Happiest Minds	Coforge	Accenture
Headquarters	India	France	India	India	Europe
Market Cap (\$ BN) (as of 12 <sup>th</sup> May, 2020)	144.73	25.26	1.7	2.24	173.06
Employees	488649	270000	2666	19000	537000
<b>Financial Metrics</b>					
Revenues (2015) (\$MN)	14880	14432	53		32914

Revenues (2020) (\$MN)	22487	19200	101	637.8	44327
Revenue CAGR (2015-2020) (%)	8.61%	5.88%	17.21%		6.13%
Profit Before Tax (PBT) (2015) (\$MN)	4360	1361	0.72	30.25	5603.5
Profit Before Tax (PBT) (2020) (\$MN)	5602	1641	10.38	81.6	6774.3
PBT CAGR (2015-2020) (%)	5.14%	3.81%	70.52%		3.87%
Profit After Tax (PAT) (2015) (\$MN)	3324	784.8	0.71	26.28	4349.6
Profit After Tax (PAT) (2020) (\$MN)	4240	1159	10.1	63.75	5185.3
PAT CAGR (2015-2020) (%)	4.99%	8.11%	70.06%		3.58%
EBITDA (2015) (\$MN)	4201	1428	0.9		5005
EBITDA (2020) (\$MN)	6372	3061	15.7	107.6	8287
EBITDA CAGR (2015-2020) (%)	8.69%	16.47%	77.15%		10.61%
Revenue / Employee (\$MN) (2020)	0.046	0.071	0.038	0.034	0.083
Cost / Employee (\$MN) (2020)	0.036	0.062	0.018		0.074
EBITDA / Employee (2020)	0.013	0.011	0.006	0.006	0.015
<b>Financial Ratios (%)</b>					
Gross Margin (%) (2020)	40.84%	27.30%	37.30%	34.57%	31.50%
Operating Margin (%) (2020)	25.90%	11.90%	10.78%	13.70%	14.80%
EBITDA Margin (%) (LFY) (2020)	28.35%	15.24%	15.80%	18%	17.58%
ROCE (LFY)(2020)	56.24%	20.02%	32.80%	26.77%	35.1%
ROE (LFY)(2020)	42.02%	19.30%	27.10%	23.13%	30.33%

Note:

1. Data as on 31st December (2015 and 2019) for Capgemini and CDW; 31st March (2016 and 2020) for the rest (Unless otherwise stated)
2. LFY: Last Financial Year
3. Exchange rates considered: Pound sterling to USD: 1.41, INR to USD: 73.02

	Insight Enterprises	ePlus	PC Connection
Headquarters	USA	USA	USA
Market Cap (\$ BN) ( 2020)	2.6	1.2	1.23
Employees	11,000	1,579	2,598
Revenues (2015) (\$MN)	5373	1143	2574
Revenues (2020) (\$MN)	8340	1530	2590

Revenue CAGR (2015-2020) (%)	9.2%	6.0%	0.1%
Profit Before Tax (PBT) (2015) (\$MN)	119.75	78.3	78.4
Profit Before Tax (PBT) (2020) (\$MN)	228.4	95.9	73.1
PBT CAGR (2015-2020) (%)	13.8%	4.1%	-1.4%
Profit After Tax (PAT) (2015) (\$MN)	75.8	45.8	46.8
Profit After Tax (PAT) (2020) (\$MN)	172.6	69	55.7
PAT CAGR (2015-2020) (%)	17.9%	8.5%	3.5%
EBITDA (2015) (\$MN)	164.2	75.1	88
EBITDA (2020) (\$MN)	353.4	119.4	86
EBITDA CAGR (2015-2020) (%)	16.6%	9.7%	-0.5%
Revenue / Employee (\$MN) (2020)	0.758	0.969	0.997
Cost / Employee (\$MN) (2020)			
EBITDA / Employee (2020)	0.032	0.076	0.033
Gross Margin (%) (2020)	15.50%	24.60%	16.20%
Operating Margin (%) (2020)	3.30%	6.06%	2.90%
EBITDA Margin (%) (LFY) (2020)	4.30%	7.50%	3.50%
ROCE (LFY)(2020)	17.20%	18%	11%
ROE (LFY)(2020)	13.80%	14.10%	9%

*Note:*

1. *Cost per employee is calculated by adding their gross wages to the total cost of related expenses (including annual payroll taxes and annual overhead), then dividing by the number of hours the employee works each year.*
2. *Return on capital employed (ROCE) is calculated by dividing net operating profit, or earnings before interest and taxes (EBIT), by employed capital.*
3. *Return on equity (ROE) is calculated by dividing the company's net income by its average shareholders' equity*

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 22 for a discussion of the risks and uncertainties related to those statements and also “Risk Factors”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 31, 219 and 328, respectively, 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.*

*Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021 included herein is derived from the Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Statements” on page 219.*

*Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Inspira Enterprise India Limited on a consolidated basis and references to “the Company” or “our Company” refers to Inspira Enterprise India Limited on a standalone basis.*

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled “Global Information Technology Services Market” dated August 10, 2021 (the “F&S Report”), prepared and released by Frost & Sullivan, appointed on April 28, 2021 and exclusively commissioned and paid for by our Company in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see “Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from the F&S Report prepared by Frost & Sullivan, and exclusively commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.” on page 48. Also see, “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data” on page 19.*

### Overview

We are a leading digital transformation company in India with a focus on cyber security, and a global presence across several verticals (*Source: F&S Report*). We provide cyber security and digital transformation services to our clients and have executed large cyber security transformation projects, infrastructure and digital transformation projects for various institutions in India. We have also expanded our operations to access other geographies over the years through our immediate and step-down subsidiaries, and as of March 31, 2021, were present in six countries, including India, USA and across Southeast Asia, the Middle East and Africa.

We have been ranked among the top 250 MSSP providers globally by MSSP Alert in the year 2020, and mentioned among 35 MSSP providers in Forrester’s Now Tech: Managed Security Services in Asia Pacific, Q4 2020 report. Through our wide range of offerings across multiple verticals and geographies, we possess capabilities spanning the digital lifecycle of services ranging from consultation, architecture, solution design and implementation, to monitoring and providing managed services. For instance, we have previously provided consulting and designing services to a bank, and built an entire G-SOC, revamping its IT infrastructure to enhance advanced banking solutions, and strengthen IT security infrastructure to improve compliance with applicable regulations.



We classify our business into the following lines of business: (i) Cyber Security; (ii) Digital Solutions; and (iii) Integrated Enterprise Solutions. The following table sets forth disaggregated information as per Ind AS 115 on the revenue from contracts with customers by lines of business and the percentage of our total revenue from contracts with customers they represent for Fiscal 2019, 2020 and 2021:

	Fiscal					
	2019 (Proforma)		2020		2021	
	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)
Cyber Security	1,644.18	26.32%	2,132.37	27.97%	3,545.27	44.16%
Digital Solutions	2,064.32	33.04%	3,158.58	41.43%	2,261.92	28.18%
Integrated Enterprise Solutions	2,539.22	40.64%	2,332.36	30.60%	2,220.40	27.66%
<b>Total Revenue from Contracts with Customers</b>	<b>6,247.72</b>	<b>100.00%</b>	<b>7,623.31</b>	<b>100.00%</b>	<b>8,027.59</b>	<b>100.00%</b>

Note:

We consider our offerings into three major line of business (LOB) that is cyber security, digital solution and integrated enterprise solutions. For the purpose of the above identification of the LOB, we consider the service offering to the LOB on which it predominantly pertains to (more than 50% of the contract value) and does not split the individual contracts. Contracts not falling or not predominantly pertaining under cyber security or digital solutions have been categorised as integrated enterprise solutions.

- **Cyber Security:** We offer integrated portfolio of enterprise security services to deliver large-scale cyber security transformation projects, enabling our clients to effectively manage risk and defend against emerging threats. Our key offerings include (i) cyber security transformation services, (ii) managed security services through our Global Security Operations Center (“GSOC”), (iii) governances, risk and compliance services, (iv) cyber security integration services, and (v) identity and access management (IAM) services. We assist our clients to assess their exposure to risks, extend our services and resources, help detect and respond to threats, and streamline our client’s security priorities to accelerate their business transformation.
- **Digital Solutions:** Our digital solutions are offered through ANKIOS®, a converged architecture designed to create opportunities through disruptive digital technologies. Key offerings include (i) smart solutions including for ‘Smart City’ projects and digital healthcare solutions, (ii) cloud services, which includes private cloud deployment on software defined and hyper-converged infrastructure, public cloud and cloud MSP (iii)

big data and analytics such as client-centric services of segmentation, profiling, fraud and risk analytics, IT operational analytics, web analytics, IT security analytics, and (iv) managed analytics as a service.

- **Integrated Enterprise Solutions:** Integrated enterprise solutions comprises the following: (i) network engineering services that includes network infrastructure solutions, (ii) infrastructure platform as a service involving traditional infrastructure solutions and hosted data centre solutions, and (iii) infrastructure management services that includes a network operating centre and integrated operations centre for management of digital infrastructure. Network engineering services and infrastructure platform services involve designing, developing and managing digital infrastructure, and we offer consulting and assessment services, as well as integration and migration services as part of these solutions.

We have gained considerable experience in each of these lines of business by collaborating with our clients across verticals such as BFSI, TMT, industrials, and e-governance, to create a foundation for the evolution of offerings across verticals. We are one of the top three vendors for BFSI cyber security in India and have provided services to 9 out of the 10 largest private banks in India (in terms of assets as of March 31, 2021) (*Source: F&S Report*), and to various public sector banks in India. Key clients include National Payments Corporation of India, Indian Bank and Canara Bank, among others. We leverage our relationships with prominent technology partners, including key technology suppliers such as Juniper, Fortinet, Palo Alto to provide our range of solutions. Our offerings have also been recognized through various awards, including the 2021 Splunk APAC Rookie Partner of the Year, Skoch Award for “Swasth Bharat Platinum- Municipal Corporation of Greater Mumbai for Hospital Management Information System” in 2019, the Partner Performance Excellence Award 2019 for “Rising Star Partner of the Year” by RSA, and “CRN Excellence Award 2019 Hyper Converged Infrastructure (North & East)” by Nutanix.

For further information, see “History and Certain Corporate Matters” on page 174.

The following table sets forth disaggregated information as per Ind AS 115 on the revenue from contracts with customers by customer-verticals for Fiscal 2019, 2020 and 2021:

	Fiscal					
	2019 (Proforma)		2020		2021	
	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)
BFSI	2,334.77	37.37%	2,047.69	26.86%	3,348.07	41.71%
E-governance	1,066.57	17.07%	1,435.23	18.83%	1,533.65	19.10%
TMT	2,295.92	36.75%	2,224.18	29.18%	1,377.45	17.16%
Industrials	324.38	5.19%	1,603.02	21.03%	1,583.55	19.73%
Others	226.08	3.62%	313.19	4.10%	184.87	2.30%
<b>Total Revenue from Contracts with Customers</b>	<b>6,247.72</b>	<b>100.00%</b>	<b>7,623.31</b>	<b>100.00%</b>	<b>8,027.59</b>	<b>100.00%</b>

We have also expanded our operations to access other geographies over the years through our immediate and step-down subsidiaries, and as of March 31, 2021, we are present in six countries, including India, USA and across Southeast Asia, the Middle East and Africa.

We seek to fulfil our clients’ business requirements and provide them with viable, advanced and transformative solutions. In Fiscal 2021, we had 235 active clients, of which we engaged with 69 clients in each of the last three Fiscals. Revenue from these 69 clients was ₹ 5,260.96 million, ₹ 3,623.17 million, and ₹ 5,116.18 million, and represented 84.21%, 47.53% and 63.73% of our revenue from contracts with customers in Fiscals 2019, 2020 and 2021, respectively, reflecting a high degree of client retention. We operate through long-term bundled contracts with a solution-led approach to strengthen client engagements, and through a pay-per-use model to acquire new clients. The average revenue per client has increased since Fiscal 2019, with the revenue for our top five clients amounting to ₹ 3,200.83 million, ₹ 2,815.52 million, and ₹ 3,226.10 million in Fiscals 2019, 2020, and 2021, respectively representing 51.23%, 36.93% and 40.19% of our revenue from contracts with customers in these periods, respectively.

We have a strong track record of revenue growth and profitability. The following table sets forth certain key performance indicators for the periods indicated:

	As of and for the years ended March 31			CAGR (Fiscal 2019 to Fiscal 2021)
	2019 (Proforma)	2020	2021	
	(₹ million, except percentages)			
Revenue from contracts with customers	6,247.72	7,623.31	8,027.59	13.35%
Restated profit for the year	42.61	197.08	361.49	191.27%
PAT Margin <sup>(1)</sup>	0.68%	2.59%	4.50%	156.96%
EBITDA <sup>(2)</sup>	262.81	399.22	521.95	40.93%
EBITDA Margin <sup>(3)</sup>	4.21%	5.24%	6.50%	24.33%
ROE <sup>(4)</sup>	8.03%	27.22%	31.63%	98.41%
ROCE <sup>(5)</sup>	49.96%	56.73%	50.80%	0.83%

Notes:

- PAT Margin is calculated as restated profit after tax as a percentage of revenue from contract with customers
- EBITDA is calculated as restated profit for the year/ period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income.
- EBITDA Margin is calculated as EBITDA as a percentage of revenue from contract with customers
- ROE is calculated as restated profit for the year/ period divided by total equity
- ROCE is calculated as EBIT divided by Capital Employed
- Capital Employed is calculated as total assets less current liabilities and non-current liabilities

We attribute our growth to the culture of innovation that has been fostered by our entrepreneurial Promoters, Prakash Jain, Vishal Jain and Chetan Jain, and supported by our employee base of over 650 employees as of March 31, 2021. The quality of our people underpins our success and distinguishes us in terms of the value proposition we deliver to our clients. We focus on attracting, developing and retaining talented IT professionals, with over 60% of our personnel being qualified science graduates and engineers, as of March 31, 2021.

## Strengths

### ***Leading provider of cyber security in an industry with high entry barriers***

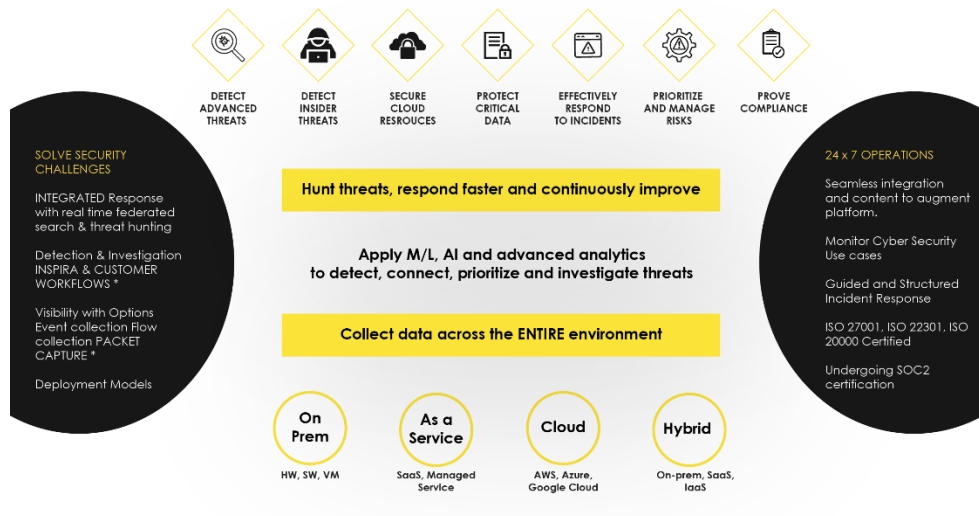
We are among the few cyber security transformation providers and digital enablers that stand out strongly from other providers in the Indian managed and professional security services market (*Source: F&S Report*). We believe we have achieved this position in an industry with high entry barriers that requires extensive domain experience to build robust client relationships, on the back of our core competencies of establishing relationships with large enterprises that entrust us with their critical cyber security solutions. We have been ranked among the top 250 MSSP providers globally by MSSP Alert in the year 2020, and mentioned among 35 MSSP providers in Forrester's Now Tech: Managed Security Services in Asia Pacific, Q4 2020 report. We are an emerging security provider and digital transformation enabler that contributes to the market through our differentiated security offerings that are based on next-generation technologies and SOC 2.0 concepts (*Source: F&S Report*). Revenue from cyber security amounted to ₹ 1,644.18 million, ₹ 2,132.27 million and ₹ 3,545.27 million in Fiscals 2019, 2020 and 2021, respectively, and represented 26.32%, 27.97%, and 44.16% of our revenue from contracts with customers, respectively.

We use next-generation technologies such as ML analytics, SOAR, and threat intelligence, which offer a unique value proposition and distinguish us from other providers (*Source: F&S Report*). We operate a delivery organization for cyber security, and have evolved into a "one-stop shop" for clients across multiple geographies and verticals, by covering phases from consulting, designing and prototyping, to product deployment/ installation and integration, and ongoing support such as servicing, commissioning and monitoring (*Source: F&S Report*).

Being a cyber security led company we typically begin our client engagements with cyber security offerings, and are gradually on-boarded for various services including digital solutions. Our G-SOC serves as a platform to offer technology agnostic managed security services and solutions to our clients located in geographies such as Africa and Asia. Our client engagements on our analytics platforms, along with our proven track record of executing large scale cyber security transformation projects, have assisted in expanding our operations in various regions in Asia, Africa, and the Middle East. Our G-SOC is powered by latest technology elements such as AI/ ML that provide threat insights by leveraging advanced data analytics technique (*Source: F&S Report*). Our G-SOC solutions include constant cyber security threat monitoring and response, improved security, operational efficiency and visibility, customized reports at desired frequencies, workflow based automatic event analysis and alert notification, integrated vulnerability and workflow management, and advanced vertical use-cases with



proper segregation between business and technical controls.



We offer advanced and integrated portfolio of enterprise security services with the help of our skilled team to deliver large-scale cyber security transformation projects, enabling our clients to effectively manage risk and defend against emerging threats. These solutions are designed to improve operational efficiency and eliminate the need for dedicated cyber security capabilities for clients, thereby presenting an attractive value proposition for large sized corporates as well. Our size and scale, multi-domain presence, specialization, practice maturity, and focus on agile delivery of cyber security services, combined with our ability to handle innovative and complex projects is critical to provide us with an advantage over other players in the cyber security space.

**Digital transformation service provider with end-to-end capabilities across verticals**

We are an integrated digital transformation company with a portfolio of Digital Solutions that complement our Cyber Security offerings, which is valuable to our clients and is the key differentiator for our solutions. We leverage our relationships with technology suppliers such as Juniper, Fortinet, Palo Alto to provide our range of integrated solutions. We have also invested significantly in our human resources in developing our wide range of services that we deliver to our clients across verticals and geographies, resulting in multiple use-cases. We have also invested and collaborated with other technology companies to leverage on their capabilities to deliver integrated solutions. For further information, see “– Investments/ Acquisitions” on page 166. This solution-oriented, integrated approach enables us improve client engagement, strengthen and deepen client relationships. Based on the domain expertise we have garnered over the years, we have been able to develop multiple industry-specific use cases, offer a wide range of solutions, and establish a proven track record with marquee clients reflecting our credentials, which could create significant barriers for new entrants.

As part of our Digital Solutions, our ANKIOS® architecture enables us to offer clients solutions for digital automation. We offer end-to-end digital solutions, which involves understanding and defining our clients’ digital strategy, preparing a roadmap for the transformation or upgrading existing IT systems, and implementing and executing the offering to integrate the clients’ programs across various layers of IT technology by enabling AI/ML and analytics. Our Digital Solutions include offerings across smart solutions, cloud, big data and analytics that spans data management across stages from data collection, storage, and visualization. These solutions are client-centric enabling segregation and profiling based on multiple filters, aid in operational and IT security analytics, are used for fraud/ risk analytics as well as web analytics. As of March 31, 2019, 2020 and 2021, we served 23, 36 and 61 clients in this line of business, and revenue from our digital solutions amounted to ₹ 2,064.32 million, ₹ 3,158.58 million, and ₹ 2,261.92 million, representing 33.04%, 41.43% and 28.18% of our total revenue from contracts with customers in Fiscals 2019, 2020, and 2021, respectively.

An integrated approach through long-term bundled contracts helps us leverage economies of scale and manage costs. Our multiple lines of business, domain expertise and diverse range of use-cases also help us cross-sell and up-sell our diverse solutions and services to existing clients. Our integrated approach positions us to take advantage of key growth areas in security solutions, particularly across companies engaged in BFSI, TMT,

industrials and e-governance. For instance, we provided integrated risk management tools to a public sector bank in India to facilitate compliance of their credit, market, operation risk and asset liability management services, with mandates directed by the regulator. Our solutions involved implementing a risk based decision making system and to develop and implement a risk management platform to continually improve processes and practice of the bank. We have also provided a pipeline business analytics solution with data management and predictive analytics to a government-owned company engaged in the distribution of crude oil and natural gas. This involved implementing a complete data management, data search, advanced analytics and business intelligence solution comprising data integration from plants, pipelines, sensors, and SCADA services.

***Consulting led business and delivery model with an extensive footprint across India and internationally***

We operate through two business models, depending on the client’s requirements. The first model is centered around long-term bundled contracts that are typically valid for three to five years and cover a range of services from architecting, designing, implementing solutions to monitoring and servicing clients. This is a solution-led approach that allows for regular interactions with the client thereby facilitating long-term engagement with the client. The second model is the pay-per-use, MSSP model, offered through various delivery architectures (on premise as well as shared infrastructure). Our pay-per-use model is based on metrics such as events per second, or charges per server used and service features consumed, which enables us to increase client engagement and eases adoption of our services. Our pay-per-use model eliminates the need for siloed point products for clients, thereby reducing their capital expenditures requirements and presenting an attractive value proposition for large sized corporates as well. Through these models, we have gained extensive domain expertise and developed vertical-specific use-cases, that positions us well to scale our operations and adopt a vertical-focused approach. While the first model offers long-term revenue visibility and repeat business, we leverage on the second model to acquire new clients and grow our client base.

Our consultative approach enables clients to choose the most appropriate solutions for their requirements. We seek to competitively price our services while remaining profitable by leveraging our experience to evaluate and quantify requirements.

We service clients through our delivery centers in India, which is a combined resource pool, and is supported by sales personnel in various parts of India and Subsidiaries located outside India. Our sales units manage client relationships and our delivery units are responsible for the delivery of services to the client. We have a significant presence in India through our sales personnel, with offices in the major cities in India, i.e. Mumbai, New Delhi, Bangalore, and Kolkata. As of March 31, 2019, 2020 and 2021, we engaged 67, 63 and 74 sales personnel in our operations that represented 26.91%, 17.12%, and 10.60% of our total workforce as of such dates, respectively. We have also structured our sales force by verticals, by strategically engaging sales personnel with significant experience in BFSI, industrial, TMT and e-governance verticals, which enables us to better understand and meet our clients’ industry-specific requirements. Our experienced workforce is capable of delivering and managing large transformation projects along with managed security services on a pay-per-use model and also enabling our clients to fully utilize their critical subscriptions and enable cyber protection in a multi cloud scenario. We have formulated our delivery model to allow for faster execution of client engagements, ensures the quality of services provided and enables the efficient use of our resource pool. Our sales units and personnel who are located in various client geographies, are also a component of our knowledge base and aligning them with our delivery function provides our clients with robust solutions which efficiently combine existing processes and methodologies with evolving domain knowledge. This structure enables us to make our business scalable across client verticals, functions and geographies.

***Global client base with longstanding relationships***

Client relationships are the core of our business. Our clients include many leading businesses across multiple verticals and geographies, including certain Fortune Global 500 companies. Our client base has grown over the years and in Fiscals 2019, 2020 and 2021, we serviced 209, 203 and 235 clients, respectively. This has resulted in growth of our client base, in terms of volume as well as value. Set forth below is certain information on the growth of our client-base categorized by contract value, for the periods indicated:

	Fiscals		
	2019 (Proforma)	2020	2021
<b>Number of Clients (A)</b>			
Less than ₹ 50 million	186	172	204
Between ₹ 50 million – ₹	9	8	10

	Fiscals		
	2019 (Proforma)	2020	2021
100 million			
Above ₹ 100 million	14	23	21
<b>Total</b>	<b>209</b>	<b>203</b>	<b>235</b>
<b>Revenue from contracts with customers (B) (₹ million)</b>			
Less than ₹ 50 million	864.67	965.39	1,035.33
Between ₹ 50 million – ₹ 100 million	666.69	582.27	679.94
Above ₹ 100 million	4,716.35	6,075.66	6,312.32
<b>Total Revenue from Contracts with Customers</b>	<b>6,247.72</b>	<b>7,623.31</b>	<b>8,027.59</b>
<b>Revenue generated as a % of total revenue from contracts with customers</b>			
Less than ₹ 50 million	13.84%	12.66%	12.90%
Between ₹ 50 million – ₹ 100 million	10.67%	7.64%	8.47%
Above ₹ 100 million	75.49%	79.70%	78.63%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Average Revenue per client (B/A)</b>			
Less than ₹ 50 million	4.65	5.61	5.08
Between ₹ 50 million – ₹ 100 million	74.08	72.78	67.99
Above ₹ 100 million	336.88	264.16	300.59
<b>Total</b>	<b>29.89</b>	<b>37.55</b>	<b>34.16</b>

Revenue from our top five clients represented 51.23%, 36.93% and 40.19%, and top 10 clients represented 68.10%, 54.32% and 59.75%, of our revenue from contracts with customers in Fiscals 2019, 2020 and 2021, respectively. We also engaged with 94, 107 and 113 new clients in Fiscals 2019, 2020 and 2021, respectively. These drivers reflect a conversion ratio of our clients that has helped us deliver steady growth in recent years.

Our client base also spans countries outside India including certain parts of South East Asia and the MEA region. Our offerings outside India are predominantly cyber security based and services focused contracts with marquee clients in Fiscal 2021 across UAE, Kenya, Ethiopia, Sierra Leone, Nigeria, Rwanda, and Indonesia, who we cater to through our subsidiaries in and around these geographies.

We typically enter into long-term engagements with our clients to develop, implement and monitor customized solutions for durations up to 5 years, which provides us with high visibility of our revenues. We have a history of high client retention and derive a significant proportion of our revenues from repeat business built on our successful execution of prior engagements. In Fiscal 2021, we had 235 active clients, of which we engaged with 69 clients in each of the last three Fiscals. Revenue from these 69 clients amounted to ₹ 5,260.96 million, ₹ 3,623.17 million, and ₹ 5,116.18 million in Fiscals 2019, 2020, and 2021, respectively, and represented 84.21%, 47.53% and 63.73% of our revenue from contracts with customers, respectively. We engage our clients by having a collaborative sales and marketing model where our sales, solutions and delivery teams participate in the sales process. We strive to be flexible to our clients' business needs and requirements, by working on the clients' premises as requested or mandated by authorities regulating the clients' vertical, or by deploying our capabilities remotely to assist the client. We also engage with executive officers and business leaders of our clients to address their business needs, such as reducing running costs, addressing their concerns on risk, protection on data loss, re-aligning IT with business changes, and helping envision their future technological needs in line with projected business trends. We have also been recognized by our clients for our services, including being awarded the Project Excellence Award in 2018 by GITC, Hyderabad.

#### ***Diversified vertical-experience with a proven track record for BFSI solutions***

We cater to clients across different verticals resulting in a diverse revenue base. Key verticals that we cater to and that are expected to increasingly digitize their operations, include BFSI, TMT, industrials and e-governance services. We have gained significant vertical-specific experience by working collaboratively with clients across each of these verticals, to create a foundation for the evolution of our offerings. Our experience includes deployment of infrastructure for a payments corporation, designing a data center for a telecommunication

provider, pipeline sensor and data management for an oil and gas distributor, and provision of a single integrated solution for patient, care provider and care administrators to enable provision of improved care service using technology transformation through integration with existing systems and data migration.

Through our consistent engagements with entities in BFSI, we believe we have developed a deep understanding of the regulatory framework governing banks in India, and in key geographies globally, as well as of the evolving nature of cyber threats these entities are exposed to. We are therefore able to set-up centers commensurate with the scale of their operations, in terms of high volume of logs at high concurrency operating continuously, with monitoring technologies embedded with deep learning analytics powered by AI/ ML to proactively monitor, report, manage and predict cyber-attacks.

Set forth below is revenue generated from clients in the BFSI sector, based on the services we have provided in the periods indicated:

	Fiscal					
	2019 (Proforma)		2020		2021	
	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)
Cyber Security	1,369.41	58.65%	1,352.28	66.04%	2,801.51	83.68%
Digital Solutions	342.14	14.65%	220.13	10.75%	190.56	5.69%
Integrated Enterprise Solutions	623.22	26.69%	475.28	23.21%	356.00	10.63%
<b>Total Revenue from Contracts with Customers (BFSI)</b>	<b>2,334.77</b>	<b>100.00%</b>	<b>2,047.69</b>	<b>100.00%</b>	<b>3,348.07</b>	<b>100.00%</b>

We have provided services to 9 out of the 10 largest private banks in India (in terms of assets as of March 31, 2021) (*Source: F&S Report*), and to various the public sector banks in India. We were engaged by 43, 54 and 52 BFSI entities in Fiscals 2019, 2020, and 2021, respectively. Four of our top 10 clients in terms of revenue in Fiscal 2021, comprised entities engaged in the BFSI vertical. For instance, we were engaged by India’s largest public sector bank to advise on the challenges being faced by it, including slow investigation of security incidents, low visibility of secure posture, and issues encountered during integration and scalability of existing systems. We advised and implemented next-gen SOC solutions for AI/ ML analytics to detect advanced threats, reduce MTTD and MTTR using automated response and centralize repository for long-term data retention and analysis. The BFSI industry is the largest user of cyber security products and services in India, and cyber security solutions have become increasingly important for the BFSI sector to tackle vulnerabilities. The cyber security market for BFSI is expected to grow at a CAGR of 17.4% from US\$ 0.6 billion in 2020 to US\$ 1.4 billion in 2025 (*Source: F&S Report*). With our proven level of excellence in BFSI, and as a top three vendor for such solutions in BFSI (*Source: F&S Report*), we are well-positioned to capitalize on the growing market for digital solutions in BFSI, and to replicate our capabilities across other growing verticals and geographies. With increasing digital adoption by companies across these verticals, accelerated by the COVID-19 pandemic, we believe we are well placed to benefit from early-mover advances in various services.

#### ***Value accretive solution designing on the back of well-established COEs***

We have gained experience in next-generation, advanced technologies that drive our ability to provide solutions for digital evolution and agile transformation. We are focused on driving innovation and adopting solutions in line with technological trends to improve the delivery of our solutions. We invest in various technologies and track new business trends to introduce bespoke solutions. For instance, we implemented a data center in the BFSI vertical in India, and have also been credited with implementing a hospital management information system across health care facilities that resulted in efficient hospital administration, simplified workflow, standardization, improved decision making, better delivery of health care services, cost control and time management. Other notable projects include private cloud deployment as part of a data center transformation project for an Indian public sector entity, and a smart city project in Nagaland, wherein we implemented smart-city LED systems, HCI infrastructure for data center application, advanced analytics and networking, and cyber security solutions.

As every vertical will increasingly adopt digital as a key component of overall IT solutions and services expenditures, we seek to remain in the forefront of this process. Through our Digital Solutions, we have launched certain focused solutions for managing cloud infrastructure, carrying out data analytics, and adopting AI in operations of our clients. We define our Digital Solutions business as solutions and services offered to clients through the fusion of “new-age” technologies for disruptive business transformations, such as SOAR (Security

Orchestration & Automation Response). Such transformations are enabled by creating innovative business models leading to enhanced client experiences and greater operational efficiencies.

We have a team of skilled individuals with technical competence and domain experience with a focus on evolving technologies. As of March 31, 2021, our solution designing team comprised 40 personnel, representing 5.73% of our total workforce as of such date. Our solution designing team comprises experienced personnel. These teams follow a structured applied innovation and solutions development process and work with delivery functions to identify the key concerns of our clients and generate solutions, ideas and concepts to address the concerns. In the past we have also partnered with certain investee companies, to customize use-cases to our clients' requirements. For further information, see “ – Investments/ Acquisitions” on page 166.

***Highly experienced and entrepreneurial promoters and senior management with extensive domain knowledge, supported by a qualified employee base***

Our growth and culture of innovation has been fostered by the entrepreneurial spirit of our promoters and experienced senior management. Our Chairman, Prakash Jain, has over three decades of experience in the telecom and technology industry, and has been instrumental in establishing and growing technology services companies in the past, including i2i Enterprise. We are led by a professional management team with extensive experience in the IT services industry, and a proven performance track record. Vishal Jain, our Executive Director, has over 16 years of experience in the technology industry. Chetan Jain, our Executive Director, has over 20 years of experience in the technology industry.

Our senior management team has been instrumental to the growth of our Company. The team comprises our CEO, Manoj Kanodia, with vast experience in information technology and telecom industries, our CFO, Raghavendra Jha with over 15 years of experience in finance and accounting, our Head of legal, Company Secretary and Compliance Officer, Sachin Poptani, with over 27 years of experience in information technology, manufacturing and telecommunications industries, our Chief Customer Officer, Mr. Girish Bhandarkar with over 35 years of experience in IT and telecom industries, our CTO & CISO, Om Ahuja with 14 years of experience in IT industry including cyber-security, President of our BFSI vertical, KG Rajagopal with over 31 years of experience in the field of sales, operation, and customer management in the IT industry, Vice President of Sales, Manoj Verma, with experience in sales functions, Business Head – MEA, Pradeep Augustine with expertise in IT, security and networking solutions, President – Sales, Rajeev Saxena, our Vice President for the ASEAN region, Josef Figueroa and President Data Analytics, Vishal Malhotra.

We have an employee base comprising over 650 employees as of March 31, 2021, including over 300 security professionals and a growing team of pre-sales, sales as well as delivery personnel. We rely on our personnel for our success and differentiates us in terms of the value proposition we deliver to our clients. We focus on attracting, developing and retaining talented IT professionals, with over 60% of our personnel being qualified science graduates and engineers, as of March 31, 2021. Our consultants have received accreditations including CISA (Certified Information Systems Auditor); CISM (Certified Information Security Manager); CISSP (Certified Information Systems Security Professional); OSCP (Offensive Security Certified Professional); GPEN (GIAC Penetration Tester); CEH (Certified Ethical Hacker); CHFI (Certified Hacking Forensic Investigator); ECSA (EC-Council Certified Security Analyst); ISO 27001:2013 LA (ISO 27001:2013 Lead Auditor). Our hiring practice includes several rounds of technical interviews, psychometric assessments, managerial interview rounds. We focus on recruiting candidates with strong credentials and conduct thorough background verifications particularly for client facing roles. We have been recognized and certified by the Great Place to Work Institute of India as a “Great Place to Work November 2018 – October 2019” and “Great Place to Work November 2019 – October 2020” organization. As a result, the attrition rate of our employees has been 20.48%, 22.83% and 19.91%, in Fiscals 2019, 2020 and 2021, respectively.

**Strategies**

***Continue to leverage our leading position to grow our Cyber Security Solutions and Digital Solutions on the back of industry tailwinds***

According to F&S, COVID-19 has caused acceleration in remote working, making cyber security one of the most sought after services owing to rising demand to counter cyber-threats and minimize losses caused by cyber-attacks. Digital transformation (i.e., use of cloud technologies, IoT collaboration solutions, big data/ analytics, and AI/ML) has become the growth engine for modern enterprises. While each of these building blocks are fundamental to the success of digital innovation, cyber security remains the single most critical element in the

entire transformation process. In 2020, the spend on digital services was US\$ 672.5 billion, which represented around 17% of the overall technology services spend which is expected to increase at a CAGR of 25.5% to 2025 wherein the total digital spending is expected to amount to US\$ 2,628.6 billion. While investment in legacy services is still prevalent and necessitated for most organizations, the spending on legacy service technologies is expected to witness a relatively slower growth rate with a CAGR of 2% (2020-2025), as compared to the significantly higher growth rate of digital investments which are expected to grow at a CAGR of over 27.5% through to 2025. Enterprises are in the first phase of a multi-year transformation of their businesses as they are being pushed to adopt online services faster owing to the COVID-19 pandemic. The pace of digital acceleration has pushed digital technology investments to address unique industry requirements coming in from multiple industry verticals (*Source: F&S Report*).

The global cyber security market is expected to grow at a CAGR of 12.2% from 2020 to 2025. Large enterprises are expected to be the major consumers of cyber security products or services. In 2021, the Indian cyber security market is expected to grow at 15.6% as compared to 9.5% in the previous year, and is expected to grow at a CAGR of 18.1% to US\$5.6 billion by end of 2025. Several government regulations and mandates across the regulated industry verticals are expected to push the demand for cyber security among Indian enterprises, including the smart-city mission and digital India campaign. Other factors that are significantly driving demand for cyber security include digital growth, increase in cyberattacks and stringent regulatory mandates. With an evolving data protection law and security mandates, particularly with respect to data protection such as through the GDPR regulations, cyber security and data protection are gaining renewed importance, thereby driving technology/ cyber security spends by corporates (*Source: F&S Report*).

With cyber security and digital transformation being the primary growth drivers for our operations, we intend to leverage our leadership position in the cyber security industry in India to offer comprehensive cyber security solutions to our existing and new clients across geographies. Our focus will be to expand our existing pay-per-use model to provide enterprise-wide cyber security solutions. We propose to achieve this by investing in security operations services for visualizing new threats, monitoring them continuously, adhering to compliance guidelines and defusing potential breach incidents in the consistently widening zone of cyber threats. We also intend to scale up our penetration testing, web scanning, application security, assessment and architecture review services by increasing automation, operating in real-time, intelligent threat detection and response capabilities. We intend to implement these measures in order to enhance visibility on revenues and improving profitability. We similarly propose to grow our suite of offerings under our Digital Solutions vertical, by expanding our big data analytics and solutions in order to strengthen our Cyber Security solutions vertical and deliver more advanced solutions driven by AI/ ML. In particular, we propose to expand our portfolio of differentiated solutions by introducing cloud security through SASE (i.e. secure access service edge), enabling zero-trust architecture and IAM services, that help clients achieve scalable interoperability, security and automation. We propose to actively pursue cross-selling and up-selling opportunities through our sales teams located across geographies, by leveraging on our client relationships.

#### ***Continue to expand our client base and penetrate our existing client base further through new offerings***

We intend to continue to focus on expanding our client base by focusing on offering our digital transformation offerings led primarily by our Cyber Security solutions to new clients. We intend to target clients who have the potential to offer opportunities with large total contract values. We will continue to invest in client acquisition measures to drive efficient acquisition of new clients, including by ramping up sales efforts to pursue opportunities outside India. For instance, we intend to create digital roadmaps and demonstrate proof-of-concept for potential clients, and rely on its successful execution of such proof-of-concept coupled with the spectrum of services and solutions for engagements for larger implementation projects and longer-term relationships with clients. We propose to onboard clients with offerings under one line of business, and use our integrated approach to cross-sell and up-sell our range of offerings across our other lines of business. We also propose to cater to our clients' evolving requirements with bundled solutions comprising services across our lines of business. To this effect, we are investing in developing various service enablers, threat intelligence and assessment engines so we can deliver realistic simulation, testing of various attacks to emulate the threat actor and provide vulnerability advisories.

We also intend to refine our pricing strategy to make our offerings more competitive while remaining margin accretive. To improve visibility, we propose to augment our corporate branding efforts by hosting industry conferences and events. We also intend to scale our marketing efforts to increase market outreach through press releases, media mentions (both print and online), conducting regular e-mail and social media campaigns and publishing thought leadership content. In particular, we intend to target companies for digital transformation,

particularly focused on cyber security, analytics and cloud.

We are also focused on continuing to expand our relationships with existing clients by helping them solve new problems and become more engaging, responsive and efficient, and in the process generate higher revenue from larger clients. Over the years we have developed long-standing relationships with our clients, and aim to become a key part of our clients' operating and growth strategy, enabling us to serve our clients across multiple touchpoints and projects. We have a demonstrated track record of expanding our work with clients after an initial engagement. Revenue from domestic clients that have contributed over US\$ 1 million in revenues has grown from Fiscal 2019 to Fiscal 2021, and we aim to continue to grow the number of our key account relationships. We propose to achieve this by highlighting our range of offerings to existing clients to increase cross-selling and up-selling opportunities, and deepening our engagement with these clients.

### ***Continue to expand geographical footprint***

As of March 31, 2021, we provided services to clients in nine countries directly using our global delivery model. We are present in various countries through our subsidiaries in Singapore, Philippines, UAE, Indonesia, USA and Kenya. We intend to continue to focus on building our presence in new markets and addressing the need for digital transformation solutions in new verticals. We intend to achieve this by replicating our successful domestic playbook globally. Our focus will be to expand our managed security services operations and grow our annuity revenue streams.

We seek to transform our engagements from being a provider of security infrastructure to a provider of high-end services and solutions, in emerging markets. Western Europe has been a major consumer of cyber security products and services as compared to Eastern Europe. The UK, Germany and France are also significant markets for cyber security, with strong growth potential. The Middle East has recently emerged as an investment destination for several cyber security companies due to the region's inclination towards next generation technologies and spend capacity. Saudi Arabia and UAE are the largest markets in GCC with Qatar gradually increasing its cyber security focus. The market for cyber security in EMEA is valued at US\$ 43.8 billion in 2021 and is estimated to grow to US\$ 72.9 billion by 2025. (*Source: F&S Report*). We have identified Europe as an important and margin accretive market for us going forward and we would like to enhance our capabilities and address gaps in language capability, vertical expertise, technical expertise and geographic coverage in these countries. We also intend to strengthen our operations in the United States, by employing personnel with domain and location-specific experience. For instance, we have recently set-up an office in the United States and propose to appoint a business leader with significant technology and sales experience for our operations in the United States.

We intend to follow a 'hub-and-spoke' model where our delivery center will be in India and operation centers with dedicated teams will be located in different geographies where our clients are located to address their requirements on a real-time basis. Through our offshore offices, we intend to retain flexibility and efficiency of operations by ensuring quicker turnaround times and greater quality control. With our delivery center located in India, we intend to derive significant cost advantages for our operations and ensure better margins for our business.

### ***Grow through select synergistic inorganic opportunities***

We intend to continue our strategic expansion plans through inorganic growth opportunities in new markets and geographies. We have successfully acquired and integrated capabilities, including our recent acquisition of SmartCirqls Infotech's 'Splunk' business unit in November 2020 that provides services like advanced security analytics and automation. This has also helped us expand our capabilities in AI Ops, IT operational analytics, and machine learning-based IT service intelligence, and also acquire client relationships associated with the Splunk business. In 2015, we acquired a 40.00% shareholding in Manorama Infosolutions, with the objective of exploring opportunities for collaboration in the healthcare segment, including in the areas of integrated cloud-based solutions for multiple healthcare branches, web-based ERP system for hospitals and clinics, and portable point-of-care device providing real-time laboratory results. For further information on our integrated capabilities, see "*Investments/ Acquisitions*" on page 166. Through such strategic and complementary acquisitions, we intend to increase the scale of our operations, access new clients and enter high-growth geographies in a cost-effective manner.

Our focus will be to target businesses that have complementing teams, technology and data, and that enhance our existing capabilities, to strengthen our focus on efficient expansion into other markets. We also seek to collaborate

with businesses that have complementing client relationships such that an acquisition and the integrated technology that accompanies it would foreseeably result in enhanced growth and an increase in recurrence and retention of clients.

***Attract, develop and retain skilled employees to strengthen capabilities***

With tech-led start-ups and technology service companies driving a large number of businesses in India, digital technologies and systems are becoming more prevalent across portfolios. The Indian technology sector is expected to have 884,000 digitally qualified talent by the end of 2021, and be well positioned to handle potential inbound digital requirements (*Source: F&S Report*). We intend to capitalize on the availability of qualified talent in India to strengthen our capabilities. We conduct lateral hiring through a dedicated IT professional talent acquisition team whose objective is to locate and attract qualified and experienced IT professionals within the relevant region. We aim to develop our position as a coveted employer in the Indian IT services industry and place high priority on attracting, training and retaining our employees, on whom we rely for our continued ability to grow our client relationships. We aim to dedicate resources to the training and development of our IT professionals. We are committed to systematically identifying and nurturing the development of middle and senior management through formal leadership training. We intend to continue to conduct and expand the areas for regular knowledge sharing sessions internally as well as through our OEM partners. We have and will continue to provide our employees with access to development tools by way of subscriptions to technical programs on cyber security, cloud, automation, big data and other evolving verticals, and behavioral programs to refine communication, negotiation and sales skills.

We intend to organize development and networking events for our employees, and expand training areas and opportunities to strengthen the capabilities of our existing workforce. We also intend to continue to make strategic hires in key roles to complement our existing competencies and resources.

**OUR BUSINESS OPERATIONS**

We classify our business into the following lines of business: (i) Cyber Security; (ii) Digital Solutions; and (iii) Integrated Enterprise Solutions.

The following table sets forth disaggregated information as per Ind AS 115 on the revenue from contracts with customers by lines of business and the percentage of our total revenue from contracts with customers they represent for Fiscal 2019, 2020 and 2021:

	Fiscal					
	2019 (Proforma)		2020		2021	
	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)
Cyber Security	1,644.18	26.32%	2,132.37	27.97%	3,545.27	44.16%
Digital Solutions	2,064.32	33.04%	3,158.58	41.43%	2,261.92	28.18%
Integrated Enterprise Solutions	2,539.22	40.64%	2,332.36	30.60%	2,220.40	27.66%
<b>Total Revenue from Contract with Customers</b>	<b>6,247.72</b>	<b>100.00%</b>	<b>7,623.31</b>	<b>100.00%</b>	<b>8,027.59</b>	<b>100.00%</b>

*Note:*

*We consider our offerings into three major line of business (LOB) that is cyber security, digital solution and integrated enterprise solutions. For the purpose of the above identification of the LOB, we consider the service offering to the LOB on which it predominantly pertains to (more than 50% of the contract value) and does not split the individual contracts. Contracts not falling or not predominantly pertaining under cyber security or digital solutions have been categorised as integrated enterprise solutions.*

***Cyber Security***

Our offerings range from entry-level services such as vulnerability assessments and penetration testing at the roadmap stage, to solution customization and implementation at execution stage, onsite as well as remote capabilities at deployment stage, and comprise more evolved offerings in the form of the ‘pay-per-use’ MSSP model. Our services include comprehensive advisory and managed security services to mitigate breaches and enable our clients to understand the threats they may be exposed to. Our services range from threat intelligence, threat monitoring and threat detection to threat hunting and incident response, penetration testing and vulnerability



management, and brand monitoring services. Our offerings are aimed at equipping our clients with capabilities to assess security intelligence and operations. We also design SOCs for our clients using security analytics platforms from our key security solution partners, and build enterprise-class SOCs for our clients. We assist with initial plans and support clients through to deployment with deep analytics using AI/ML, enabling orchestrations and automation via structure incident and threat response platforms.

We also aim to optimize our clients' SOC with in-depth analysis and strategic recommendations. We enable 24x7 threat, detection and fast response capability, enabled by threat intelligence from multiple sources and proactive threat hunting to identify and remediate advanced threats. Our objective is to enable clients to improve cyber-incident response preparedness and minimize the impact of breaches on their operations. We are also engaged by clients to monitor OT and IoT security and provide services to enable clients to understand and assess the cyber security maturity of their operational technology (OT) and IoT environments.

### *Offerings*

- **Managed Security Services (delivered through GSOC):** To help achieve faster cyber security maturity, we offer 24x7 threat prevention, detection and fast response capabilities, enabled by threat intelligence from multiple sources and proactive threat hunting to identify and remediate advanced threats using the pay-per-use mode. We offer managed security services through various modes (on client premises, or in the location that is hosting such service, or through a shared services model) to address the various compliance requirements across multiple geographies. Clients have various options to choose from the services including SOAR, threat hunting, and security solution management. These services are offered through our GSOC located in Mumbai, where we have incorporated multiple technologies that our team can tap into to cater to multiple requirements of our client base on the multi-tenant platform. Our GSOC has the following ISO certifications: 27001:2013 and 20000-1:2018. We continue to refine our services and obtain industry relevant standards like SOC-2 Type II.
- **Managed Detection and Response (“MDR”) Services:** Our MDR services include end-point detection and response tools to conduct detailed investigations using various tactics, techniques and procedures to threat hunting and enabling next-generation antivirus for behaviour-based blocking and continuous policy management by providing continuous visibility of end-point security to malicious activity, reduce the dwell time of attacks and enabling faster investigations, deliver faster responses to cyber-attacks within the network and prevent similar incidents from causing damage in future.
- **Cloud Security Services:** We offer an end-to-end portfolio of consulting, implementation and MDR services, providing end-customers with a one-stop cyber security solution that maximizes and extends their investment and advances their security posture. We also engage with clients to help reduce complexity and costs while improving visibility across client organizations to maximise the capabilities of such subscriptions. We seek to help clients achieve better visibility of security threats, and enhance their usage of AI and automation capabilities, in order to efficiently mitigate threats and reduce risk. We help our clients achieve end-to-end cyber security, with the objective of providing improved experience using services that help protect against cyber-threats with automation and intelligence across access management, unified endpoint management (UEM) tools, data protection and endpoint protection platforms.
- **Cyber Security Solution Integration Services:** We offer services for data protection, identity and access management, end-point security, network security, cloud security, OT/ IoT solutions and application security. We provide management, monitoring and alerting of security devices in the cloud or on-premises, including: next-generation firewalls; Intrusion Detection and Prevention Systems (IDPS); Unified Threat Management (UTM) stations; and Secure Web Gateways (SWGs).
- **Data Protection Services:** Our data security services help design solutions and prioritize processes and controls to protect critical data from unauthorized access and data loss by providing appropriate solutions to enable data classification, data encryption and monitor data activity to help our clients remain updated with the evolving security landscape, and facilitate compliance with regulatory requirements.

- Identity and Access Management (“IAM”) Services: We support our clients on their IAM initiatives with services that include solution design and architectural considerations, and implementation, migration and upgrades. We assist our clients design and manage identity and access solutions tailored to meet their business and compliance needs with an IAM program that manages user access, monitors privilege user access, authentication and compliance, while enabling protection and improving cost and operational efficiency through automation. We are also collaborating with our solution partners to apply AI and data analytics in identifying high-risk user patterns and anticipate and prevent potential breaches in advance.

Technology integration services: We have capability to provide various security technology integration services, including cloud security and OT solutions. It involves combining partner technologies and industry reference architecture (such as ISA 62443 cyber security standards) to review, enhance and monitor cyber security of OT environments and safeguard them from cyberattacks. These include addressing security issues in strategic, tactical and operational, and technical areas related to OT assets, networks, communication flows, key threats and risks. Offerings include creating cyber situational awareness with AI/ ML big data security analytics and OT visibility and risks and providing 24x7 threat-monitoring services for clients. We offer these services in a wide range of industries.



## Digital Solutions

### Offerings

ANKIOS® is a converged architecture designed to create opportunities for businesses through disruptive digital technologies.

ANKIOS® includes four main offerings: (i) smart solutions; (ii) cloud services; (iii) big data and analytics; and (iv) managed services.

*Smart Solutions.* Smart solutions include intelligent traffic management systems (ITMS), smart city projects, and digital healthcare solutions.

- *ITMS.* Our services include consultancy advice on selection, design and implementation of traffic and transport modelling and demand estimation services, and developing applications and software for ITMS which includes traffic management solutions, speed violation, traffic command and control systems, and flow with ITMS dashboards for traffic command and control centres.
- *Smart Cities.* Our services include consultancy services, design and implementation of solutions, design and implementation of smart city elements and solutions including citizen centric services for public

safety, public facility applications, smart street lighting, smart parking, smart pole, smart water and energy meters, and solid waste management. These also include surveillance, cloud based data center and disaster recovery installing environmental sensors, setting-up city Wi-Fi, data networks and cyber security.

- *Digital Healthcare.* We provide a comprehensive and integrated windows-based Enterprise Resource Planning (ERP) for organizations in the healthcare vertical. Our healthcare offerings include ERP integration and device interface, hospital information management systems, diagnostic and lab management systems, picture archiving and communication system (PACS), health information exchange and big data analysis, dashboard and business intelligence tools.

For instance, we assisted in the implementation of smart parking solutions to resolve traffic management issues and cyber security solutions, in Gujarat. We have also assisted with smart city projects in Nagaland, where we offered ICCC and DC build for smart streetlights, intelligent poles, surveillance systems, and smart transport management.

*Cloud Services.* Our cloud offerings comprise: (i) infrastructure-as-a-service, cloud-based big data and analytics solution, and application modernization, (ii) providing hybrid cloud services such as software define infrastructure, private cloud and multi-cloud management and integration, and (iii) other cloud services such as migration assessment and planning, cloud-managed services, and cloud innovation.

*Big Data and Analytics.* We provide a single point solution for big data and analytics; from real-time monitoring, consultation, implementation, analytics to operations, we offer complete data management at various stages, namely data sources, data platform, advanced analytics and data visualization. Our services for big data and analytics include:

- *Customer Centric Services.* This includes customer segmentation and profiling, customer lifetime value analysis, customer profitability, customer churn and retention analysis, customer relationship management.
- *Fraud and Risk Analytics.* This includes fraud analytics (namely prediction, detection, prevention and mitigation), credit monitoring and non-performing asset analysis, early warning systems, integrated risk management and enterprise fraud management.
- *IT Ops Analytics.* This includes log data collection and management, intrusion monitoring and management, security and operational analytics, audit trails for forensic analysis and compliance.
- *Web Analytics.* This includes social media sentiment analysis, product penetration analysis, campaign efficiency analytics, brand reputation monitoring.
- *IT Security Analytics.* This includes IT security analytics encompassing user behaviour and event monitoring with orchestration, automation and responses.
- *IT/OT Analytics:* This includes an architecture of integrating IT and OT systems where real time data is converted into actionable intelligence thereby helping clients derive business insights leverage analytics solutions.

We engage with data and analytics OEMs/ platform providers to allow businesses to find, acquire, extract, manipulate, analyze, connect and visualize data using tools.

*Managed IT services.* We provide managed IT services with constant monitoring, IT support and troubleshooting. We offer remote monitoring technologies with capabilities such as problem recognition and diagnosis, a centralized support system that analyses activities across organizational networks, endpoints, servers and databases, as well as future proofing IT services. Clients can opt for a high or low level of support, with full management or co-management arrangements.

## ***Integrated Enterprise Solutions***

### *Offerings*

Under our Integrated Enterprise Solutions, we design and implement infrastructure within a typical datacenter environment. Our solutions include campus LAN WAN, Wi-Fi solutions, traditional infrastructure services such as server, storage, backup and BCP, unified communication, software defined networking (SDN), SDWAN, network transformation and next-gen network.

Our services for integrated enterprise solutions are divided into three categories:

*Consulting and Assessment Services.* This includes analysis of existing infrastructure landscape, performance and capacity base lining, diversity analysis, gap analysis and designing and developing infrastructure.

*Integration and Migration Services.* This includes deployment of the infrastructure for a greenfield project and integration with existing services for a brownfield project, and may occasionally involve migration of services as well.

*Managed Services:* This includes deployment of operational tools for monitoring, management, operations and end-to-end support of the infrastructure.

We examine networking and data center requirements for operational simplicity and business agility. These services are as follows:

- *Network.* Our network offerings cover a range of services including multi-vendor, multi-technology, multi-domain end-to-end solutions – consulting, auditing, planning and design, deployment, integration and testing, services migration, and network optimization. Our solutions include campus LAN WAN, Wi-Fi solutions, unified communication, software defined networking (SDN), SDWAN, network transformation and next-gen network with management and monitoring solutions.
- *Data Centre.* We provide a wide range of service offerings across our data centre management portfolio – comprising data centre operations, data centre transformation, data centre automation, and cloud services. Our services include (i) virtualization, server consolidation and transformation, hosting; (ii) hosting and colocation services; (iii) building of secure and energy efficient infrastructure environments; (iv) storage and backup services; and (v) business continuity and disaster recovery services.

*SD-WAN:* SD-WAN is a software-based approach that manages wide-area networks, offers ease of deployment, central manageability, reduces costs and improves connectivity to branch offices and the cloud. Its key offerings are (i) hosting all applications in-house on the on-premises SD-WAN architecture; (ii) cloud-enabled SD-WAN architecture; (iii) cloud-enabled plus backbone SD-WAN architecture which connects the organization's site to SD-WAN provider's nearest network point of presence which allows the business' traffic to hop onto the SD-WAN provider's private fibre optic network backbone.

Through our SD-WAN deployment, we seek to provide clients with reliable access to apps and fewer slowdowns due to congestion, build resiliency when outages impact WAN connections, and enhance quality of service for prioritizing business-critical application traffic.

*NOC:* We operate the network operation tools to deliver network, server and application monitoring services, and control IT infrastructure, and provide end-to-end support and maintenance of client premises equipment for clients. We offer our combined NOC and SOC capabilities and integrated platform to monitor, optimize and manage the performance, availabilities and security requirements of our clients' IT and network infrastructures.

## **International Operations**

As of March 31, 2021, we provided services to clients in nine countries. We are present in various countries through our subsidiaries in Singapore, Philippines, UAE, Indonesia, USA and Kenya.

The following table sets forth certain information on our client base outside India, for the periods indicated:

Country	Fiscal		
	2019 (Proforma)	2020	2021
	(Number of Clients Served)		
Domestic	205	186	211
International	4	17	24
<b>Total</b>	<b>209</b>	<b>203</b>	<b>235</b>

We operate through our Subsidiaries outside India for real-time service delivery to our clients in various locations. As of March 31, 2021, we had seven sales personnel outside India.

### Our Delivery Model

We typically assume primary project management responsibility for various stages of implementation of the project. Typically, a project team consists of a small number of our professionals based at the client's location who define the scope of the project, track changes to specifications and requirements during project implementation, assist in installing the software or system at the client's site and ensure its continued operation. The large proportion of the delivery work on the project is performed remotely at our delivery center located in India.

We provide our services to our clients including international clients by leveraging on our 'hub and spoke' model, with the hub/ delivery center in India, and delivery through the spokes/ operation centers present globally. Our sales offices and delivery centers are a virtual extension of the client's working environment with resources and infrastructure that supplement the client's facilities. In our projects, we endeavor to increase the proportion of work performed at the delivery center in order to be able to take advantage of the various benefits associated with this approach, including higher gross margins and increased process control. Due to the level of investment required by our clients in setting-up an in-house delivery center, and the quality of services we provide, the 'hub and spoke' model has provided us a high percentage of repeat business and a stable revenue stream.

### Contracting Model

We operate through two business models, depending on the client's requirements. The first model is centered around long-term bundled contracts that cover a range of services from architecting, designing, implementing solutions to monitoring and providing maintenance services to clients. This is a solution-led approach that allows for regular interactions with the client thereby facilitating long-term engagement with the client.

The second model is the pay-per-use, MSSP model, offered through various delivery models (on-premise and shared infrastructure). Our pay-per-use model is based on metrics such as events per second, or charges per server used, which we believe increases client engagement and eases adoption of our services, since it eliminates the need for siloed point products for clients, thereby reducing their capital expenditures requirements and presenting an attractive value proposition.

### Our Clients

As of March 31, 2021, we have a client base of over 200 clients, engaged in various verticals including BFSI, TMT, industrials, e-governance services, and others.

The following table sets forth disaggregated information as per Ind AS 115 on the revenue from contracts with customers by customer-verticals for Fiscal 2019, 2020 and 2021:

	Fiscal					
	2019 (Proforma)		2020		2021	
	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)
BFSI	2,334.77	37.37%	2,047.69	26.86%	3,348.07	41.71%
E-governance	1,066.57	17.07%	1,435.23	18.83%	1,533.65	19.10%
TMT	2,295.92	36.75%	2,224.18	29.18%	1,377.45	17.16%
Industrials	324.38	5.19%	1,603.02	21.03%	1,583.55	19.73%
Others	226.08	3.62%	313.19	4.10%	184.87	2.30%
<b>Total</b>	<b>6,247.72</b>	<b>100.00%</b>	<b>7,623.31</b>	<b>100.00%</b>	<b>8,027.59</b>	<b>100.00%</b>

	Fiscal					
	2019 (Proforma)		2020		2021	
	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)
<b>Revenue from Contract with Customers</b>						

### ***Banking, Financial Services and Insurance (BFSI)***

Clients in this vertical include banking companies, cooperative banks, financial services institutions, and stock exchanges. During Fiscal 2021, we provided services to over 50 clients in the BFSI vertical.

Notable projects for banks include consulting, designing and building an entire G-SOC, revamping IT infrastructure to enhance advanced banking solutions, strengthening IT security infrastructure to improve compliance with applicable regulations, providing enterprise fraud risk management solutions, and building a greenfield data center to optimize on costs associated with colocation services.

### ***Technology, Media and Telecom (TMT)***

During Fiscal 2021, we provided services to over 65 companies in the TMT vertical.

Notable projects include:

- Our involvement in a project together with a large technology company. We were responsible for the entire IT infrastructure that involved implementation of new-age technologies in line with our digital solutions line of business. We were also responsible for on-premise infrastructure such as building the integrated command and control centre with IOT devices, sensors, smart solutions covering datacentre, networking, cyber security, analytics and cloud solutions.
- We were involved in IT infrastructure and cyber security upgrade project for a large VFX technology company. We were responsible for upgradation of IT infrastructure and cyber security that involved implementation of new-age technologies.
- We have partnered with an India-based company with business interest in in Africa, in media and broadcasting vertical to help modernize the digital record system by providing a solution to digitize documents and create a set up for digital record keeping. We were involved in design/ supply and implementation of the technology stack to support this initiative.
- We have worked for one of the largest BPOs based out of India to upgrade technology infrastructure critical to its business for its associates to seamlessly connect across different assets.

### ***e-Governance***

During Fiscal 2021, we provided services to 25 companies in the e-governance vertical.

Notable projects include:

- Setting-up a dashboard to monitor key performance indicators using analytics and visualization solutions, for an autonomous government body in Jharkhand, India.
- We have also designed and deployed advanced elastic scale data-centre for a government-owned manufacturer of telecommunications equipment in India. We have facilitated public cloud functionalities on-premise for the entity to enable them to provide this as a service to their end customers.

### ***Industrials***

During Fiscal 2021, we provided services to over 35 companies in industrials vertical.

Notable projects include:

- A pipeline business analytics solution comprising data management and predictive analytics solution for a company engaged in oil and gas exploration. This resulted in broader organizational support for information security, early detection of security incidents, to monitor, assess and defend enterprise information systems. Through these solutions we aim to reduce risk of non-compliance and set-up comprehensive and efficient reporting systems.
- We have also provided a complete data management, data search, advanced analytics and business intelligence solution comprising data integration from plants, pipelines, sensors, and SCADA services, to a company engaged in the distribution of crude oil and natural gas. This involved identifying areas for predictive and prescriptive analytics to provide decision support systems and create specified reports based on key performance indicators and dashboards for effective decision making. Through deployment of SCADA qualified engineers, the services we provided included correlation of logs, generation of alerts, reporting of security incidents, detection and analysis of critical security incidents, forensic analysis and root cause analysis, vulnerability assessment of network infrastructure, and implementation of remediation plans.
- We also provided cyber security solutions to an airline company. We have also been engaged to refine IT/AV landscape design being implemented at an airport.
- We have managed cyber security for Kirloskar Management Services Private Limited which consists of several businesses. We have created a set up for monitoring and managing cyber security providing visibility to take proactive measure and help prevent incidents due to cyber-threats.
- We have also been engaged with a large industrial conglomerate, for managing cyber security and helping monitor their diverse set-up spread across different geolocations. With different business and a large user base, this has emerged as an effective tool for compliance and monitoring purposes, allowing our customer to focus on their core competencies.
- We have also provided services to a large pharma company to enable them to achieve statutory compliance around the processes by monitoring business critical data on a 24x7 basis.
- A power distribution company sought to secure its remote operations on its substations by monitoring the logs generated on the IT assets around the set-up. The solution provided by us enables the customers to maintain critical systems in appropriate conditions for business continuity.
- One of the top automobile manufacturing units required security for its operations and the solution provided by us enabled them to monitor their critical assets and helped uptime of critical systems.

### **Sales and Marketing**

We have adopted a multi-pronged sales approach of proactivity, domain knowledge and learning, and vertical focus.

*Proactivity.* We adopt different technology, develop skillsets around it and target potential clients, in order to develop offerings in line with industry leading digital partners and capture early mover advantages.

*Domain Knowledge and Continuous Learning.* We adopt a center-of-excellence (“CoE”) model to create domain expertise in key areas, and strategically recruit personnel to complement our existing capabilities. Set forth below is a brief description of our CoEs:

- **Cyber Security:** Our cyber security CoE comprises managed cyber SOC security, secured infrastructure, cloud security, and cyber security consulting.
- **Cloud Services:** Our cloud services CoE comprises public and hybrid cloud modernization services, multi-cloud managed services and hybrid cloud services.
- **Infrastructure Platform Services:** Our infrastructure platform services CoE comprises network engineering services, and infrastructure management services.

- **Data and Analytics:** Our data and analytics CoE comprises analytics of big data such as data as a service and enterprise data management, and business analytics such as business process services using various big data platforms such as AI.
- **Innovation:** Our innovation CoE comprises healthcare, smart cities and intelligent traffic solutions.

*Vertical Focus.* Our sales teams are structured based on verticals we cater to, in order to ensure the relevant teams possess the requisite industry knowledge to identify solutions and make products/ offering sales.

We maintain a dedicated sales and marketing team, which coordinates our branding efforts and participating in industry conferences and events.

Our marketing program includes various activities to increase market outreach, press releases and media mentions (both print and online), conducting regular e-mail and social media campaigns, participating industry events and webinars, and publishing thought leadership content like videos, white papers and articles. We intend to expand our global marketing efforts through increased presence in geographical regions where our Subsidiaries are located.

### **Investments/ Acquisitions**

We have invested in entities with capabilities that complement our existing offerings.

Our investments include:

#### *Manorama Infosolutions*

In 2015, we acquired a 40.00% shareholding in our Joint Venture, Manorama Infosolutions, with the objective of exploring opportunities for collaboration in the healthcare segment, including in the areas of integrated cloud-based solutions for multiple healthcare branches, web-based ERP system for hospitals and clinics, and portable point-of-care device providing real-time laboratory results.

#### *IRAM Technologies*

In 2018, we acquired a 30.00% shareholding in our Joint Venture, IRAM Technologies, with the objective of exploring opportunities for collaboration in smart city solutions, including in the areas of smart parking solutions, energy efficient street lighting and smart poles.

#### *ITS Planners*

In 2018, our Company along with Inspira Tech Asia Pte. Ltd. (formerly known as Inspira IT Products Singapore Pte. Ltd., one of our Subsidiaries, acquired a 36.00% shareholding in, our Joint Venture, ITS Planners, with the objective of exploring opportunities for collaboration in intelligent transport systems and area traffic control systems, including traffic detections, signal controllers, and highway traffic management systems.

#### *Algonox*

In 2018, we entered into share subscription and shareholders agreement for acquiring a minority interest in tranches in Algonox, a company engaged in the business of robotics, process automation, artificial intelligence and machine learning products and solutions.

#### *SmartCirqls Infotech's 'Splunk'*

In 2020, we entered into a business transfer agreement and acquired the 'Splunk Big Data Analytics' business unit from SmartCirqls Infotech Private Limited by way of a slump sale, that included the licenses and rights associated with 'Splunk', few data engineers as well as senior personnel with Splunk information and technology systems, and existing client relationships of the business unit. Splunk is applied to obtain analytical data from cyber security solutions. The acquisition was driven by our objective of being a Splunk-provider to our existing clients based on regular interest and integration opportunities with respect to the product that we receive from clients.

For further information on these acquisitions and investments, see "*History and Certain Corporate Matters*" on page 174.



## Regulatory Environment

We operate in a rapidly evolving regulatory environment and are subject to extensive regulation and increased focus by regulators on various aspects of our operations across verticals. These laws cover certain aspects of our business and include data privacy laws, anti-money laundering, cyber security laws as well as the requirement to obtain new and different types of licenses in order to conduct our business.


The laws and regulations applicable to us are continuing to evolve through legislative and regulatory action and judicial interpretation. New or changing laws and regulations, including changes to their interpretation or implementation, as well as increased penalties and enforcement actions related to non-compliance, could have a material adverse impact on our business, results of operations, and financial condition. We monitor these areas closely and are focused on designing compliant solutions for our consumers.

For further information, see “*Key Regulations and Policies in India*” on page 169.

## Competition

We are an experienced global cyber security led IT services provider focused on cyber security offerings and digital solutions across client industries and geographies. We compete with a variety of cyber security and IT companies, as well as service providers. We believe that the key competitive factors in our industry include changing technologies, client preferences and needs and the ability to rapidly deliver solutions supporting such evolving needs. Other competitive factors include breadth and depth of service offerings, domain expertise, reputation and track record and the ability to tailor our service offerings to specific client needs. We compete with renowned companies in the Indian PSS and MSS market, including with Accenture, Capgemini, DXC Technology, L&T Infotech, and Wipro (*Source: F&S Report*).

## Intellectual Property Rights

Our success and ability to compete depend in part upon our ability to protect our technology and to establish and adequately protect our intellectual property rights. We have obtained registrations for our logo “Inspira” and our platform “ANKIOS®” ANKI  S under various classes in India.

Further, our domain [www.inspiraenterprise.com](http://www.inspiraenterprise.com) is registered in the name of our Company. For further details please see “*Government and Other Approvals*” on page 370.

## Human Resources and Employee Training Programs

As of March 31, 2021, we had 698 full-time employees. The following table sets forth a breakdown of our employees by function as of March 31, 2021:

Function	Number of Employees
Support	67
Sales	72
NOC	12
SOC and Post-sales Cyber Security	343
Other Delivery Teams	164
Presales	40
<b>Total</b>	<b>698</b>

We focus on attracting, developing and retaining talented IT professionals, with over 60% of our personnel being qualified science graduates and engineers. Our hiring practice includes technical interviews, psychometric assessments, and managerial interview rounds. We conduct thorough background verifications of candidates through third party vendors to verify details regarding previous employment, education, and identity checks. For client facing roles, we may additionally conduct police verifications as well. We have a dedicated IT professional talent acquisition team for lateral and strategic hires. The team is responsible for locating and attracting qualified and experienced IT professionals within the relevant region.

We place significant emphasis on training our personnel and increasing their skill levels, and fostering ongoing employee engagement. We organize in-house training for our employees through skill building programs and professional development programs at various levels. We are committed to systematically identifying and

nurturing the development of middle and senior management through formal leadership training. We conduct regular knowledge sharing sessions internally as well as via our OEM partners, and our employees have access to training materials for a wide range of subjects through subscriptions that we organize. These include technical programs on cyber security, cloud, automation, big data and such others, and behavioral programs such as communication skills, leadership skills, negotiation skills, and sales skills.

We have been recognized and certified by the Great Place to Work Institute of India as a “*Great Place to Work November 2018 – October 2019*” and “*Great Place to Work November 2019 – October 2020*” organization. Through these surveys we monitor employee satisfaction and strengthen our practices by taking corrective action as required.

See, “*Risk Factors – If we are unable to hire, integrate, train, retain, and motivate qualified personnel, our business could suffer.*” on page 39.

### **Insurance**

We maintain insurance coverage under various insurance policies for, among other things, cyber and data security insurance, directors’ and officers’ management liability insurance, general liability policy, commercial crime insurance policy, fire and burglary risk, and marine insurance policy. We believe that the level of insurance we maintain is appropriate for the risks of our business and is comparable to that maintained by other companies in our markets operating in the same business lines.

However, our insurance policies may not be able to cover all of our losses and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. See “*Risk Factors – An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.*” on page 47.

### **Corporate Social Responsibility (“CSR”)**

We seek to integrate our business values with our operations so we may undertake our business activities in an ethical and transparent manner. Further, we seek to improve our fulfilment of social responsibilities and enhance our economic practices in an attempt to create a positive impact on the society. Our CSR Committee has adopted a CSR policy with a focus on enhancement of access to education, health care, and infrastructure.

As part of our CSR initiatives, we have made donation for promotion of education and food. We have also made donations to non-governmental organizations promoting protection of wildlife in India.

### **Properties**

Our Registered and Corporate Office is located at 23, Kalptaru Square, Kondivita Lane, Ram Krishna Mandir Road, Andheri (E), Mumbai Maharashtra – 400059, India on a leased premise. Our Registered and Corporate Office is held by our Company on a lease and license basis from Realty Finance pursuant to agreement dated January 1, 2015, read with any addendums thereto.

## KEY REGULATIONS AND POLICIES IN INDIA

*Given below is a brief summary of certain sector specific and relevant laws and regulations in India, which are applicable to our Company. Taxation statutes such as the Income Tax Act, 1961 and other miscellaneous regulations and statutes such as the Trade Marks Act, 1999, apply to us as they do to any Indian company.*

*The information in this section has been obtained from various legislations, rules and regulations made thereunder and other regulatory requirements available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative, regulatory, administrative or judicial decisions.*

*Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see “Government and Other Approvals” on page 370.*

### **Industry-specific legislations applicable to our Company**

#### ***The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder***

The IT Act was enacted with the purpose of providing legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information. The IT Act also seeks to facilitate electronic filing of documents and create a mechanism for the authentication of electronic records through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India.

The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability under specified circumstances, and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

In April 2011, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), in exercise of its power to formulate rules with respect to reasonable security practices and procedures and sensitive personal data, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**IT Security Rules**”) in respect of Section 43A of the IT Act, which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any collection or third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The Central Government recently in February 2021 enacted the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (“**Intermediary Rules 2021**”) which superseded the Information Technology (Intermediaries Guidelines) Rules, 2011. The Intermediary Rules 2021 require all intermediaries (as defined under the IT Act) to observe due diligence while discharging their duties, including *inter alia*: (a) publishing rules, regulations, privacy policy, user agreement for usage of its computer resource by any person over website and mobile application, (b) not host, store or publish any unlawful information prohibited under any law for the time being in force, (c) report cyber security incidents and share related information in

accordance with the provisions thereof. Moreover, intermediaries are required to publish details of its grievance redressal officer on its website and mobile application.

### **The Personal Data Protection Bill, 2019 (“Bill”)**

The Bill, which proposes to amend the Information Technology Act, 2000, seeks to protect the privacy of individuals, prevent misuse of personal data and also proposes provisions relating to compensation payable by companies for failure to protect personal data by seeking enactment of the Personal Data Protection Act, 2019. The Bill also seeks to establish a Data Protection Authority of India which shall be required to protect the interests of data principals, prevent any misuse of personal data, ensure compliance with the provisions of the Bill, and promote awareness about data protection. Currently, the Bill provides for the Central Government, in consultation with the Data Protection Authority of India, to notify certain categories of data such as “Personal Data” i.e., data about or relating to a natural person who is directly or indirectly identifiable, having regard to any characteristic, trait, attribute or any other feature of the identity of such natural person, whether online or offline, or any combination of such features with any other information, and shall include any inference drawn from such data for the purpose of profiling; as “Sensitive Personal Data” (such personal data, which may, reveal, be related to, or constitute, among other things, (i) financial data; (ii) health data; (iii) official identifier; (iv) sex life; (v) sexual orientation; and (vi) biometric data) based on the factors described. The applicability of the Bill also extends to data fiduciaries or data processors not present in India, that handle or process data in relation to individuals in India. The Bill accords certain rights to individuals with respect to the protection of their data. However, there are certain exceptions to protection offered under the Bill, such as, act done by a governmental agency in interest of security of state, public order, sovereignty and integrity of India and friendly relations with foreign states, and act done for preventing incitement to commission of any cognizable offence relating to the above matters. Processing of personal data is also exempted from provisions of the Bill under certain conditions, including that such processing is for a specific, clear and lawful purpose, this includes an act undertaken for, among other things, (i) prevention, investigation, or prosecution of any offence; (ii) processing of by any court or tribunal in India is necessary for the exercise of any judicial function; or (iii) for a journalistic purposes by any person and is in compliance with any code of ethics issued by the Press Council of India, or by any media self-regulatory organisation. As on date, the Bill is yet to be notified and take effect.

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

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 FTA, 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 authorised 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 also authorised to appoint a 'Director General of Foreign Trade' for the purposes of the FTA, including for advising the Central Government on formulation and being responsible for implementation of the foreign trade policy. Imports and exports are permitted by persons who hold an “Importer-exporter code number” (“IEC”). Such imports and exports must be carried out in accordance to the laws and export and import policy 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 or the goods of or services or technology from the country, these instances may result in the suspension and cancellation of the IEC number.

### **Shops and establishments legislations**

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments have to be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

## **Labour law legislations**

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws other than state-wise shops and establishments acts, which may be applicable to our Company due to the nature of our business activities:

- The Contract Labour (Regulation and Abolition) Act, 1970;
- Code on Wages, 2019\*;
- The Employee's Compensation Act, 1923;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- The Payment of Gratuity Act, 1972;
- The Payment of Bonus Act, 1965;
- The Maternity Benefit Act, 1961;
- The Minimum Wages Act, 1948;
- The Employees' State Insurance Act, 1948;
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Payment of Wages Act, 1936;
- The Industrial Disputes Act, 1947;
- The Trade Unions Act, 1926;
- Industrial Employment (Standing Orders) Act, 1946;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976; and
- The Child Labour (Prohibition and Regulation) Act, 1986

\*Certain provisions of the Code on Wages have been notified as on date.

In order to rationalize and reform labour laws in India, the GoI has notified four labour codes which are yet to come into force as on the date of this Draft Red Herring Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

## **Intellectual Property Laws**

Intellectual property in India enjoys protection under both common law and statutes. Under statutes, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. These enactments provide for the protection of intellectual property by imposing civil and criminal liability for infringement. In addition to the domestic laws, India is party to several international intellectual property related instruments including the Patent Cooperation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the Berne Convention for the Protection of Literary and Artistic Works, 1886, the Universal Copyright Convention adopted at Geneva in 1952, the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961 and as a member of the World Trade Organisation is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights.

### ***The Trademarks Act, 1999 ("Trademarks Act")***

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks

in India. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trade Marks Act, an application for trademark registration may be made with the Trade Marks Registry by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

### ***Copyright Act, 1957 (“Copyright Act”)***

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, “**Copyright Laws**”) governs copyrights subsisting in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases. Computer programme constitutes a literary work under Indian law and is afforded copyright protection and the owner of such computer programme becomes entitled to protect his works against unauthorized use and misappropriation of the copyrighted work or a substantial part thereof. Any act of this nature entitles the copyright owner to obtain relief from a court of law including injunction, damages and accounts of profits. Further, copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work and once registered, copyright protection remains valid until expiry of sixty years from the demise of the author. Reproduction of a copyrighted computer programme for sale or hire or trade exhibit in public or distribution or commercial rental, offer for sale or commercial rental, issuing copy(ies) of the computer programme or making an adaptation of the work without consent of the copyright owner amount to infringement of the copyright. However, the Copyright Act prescribes certain fair use exceptions which permit certain acts, which would otherwise be considered copyright infringement.

### ***The Patents Act, 1970***

The Patents Act, 1970 (“**Patents Act**”) governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. Section 39 of the Patents Act also prohibits any person resident in India from applying for a patent for an invention outside India without making an application for a patent for the same invention in India. The term of a patent granted under the Patents Act pursuant to Section 53 is for a period of twenty years from the date of filing of the application for the patent. A patent shall cease to have effect if the renewal fee is not paid within the period prescribed for the payment of such renewal fee.

While the Patents Act prohibits patentability of a ‘computer programme’ as such, computer programmes in combination with a novel hardware could be considered patentable depending on the substance of the invention and applicable provisions of the Patents Act. Computer programmes on their own are excluded from patent protection and are protected as a literary work under the Copyright Laws. In terms of the Patent Act, the patentee holds the exclusive right to prevent third parties from the using, offering for sale, selling or importing for such purposes, the patented product or product obtained directly by a process patented in India.

### ***Foreign Investment Laws***

Foreign investment in India is governed by the provisions of FEMA Non-Debt Instruments Rules along with the FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India.

Under the current FDI Policy (effective October 15, 2020) 100% foreign direct investment is permitted in IT/ITES sector, under the automatic route. In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having

common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital on a fully diluted basis.

Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis, and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). For further details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 410.

#### ***Overseas Direct Investment (“ODI”)***

In terms of the Master Direction No. 15/2015-16 on "Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad" issued by the RBI, dated January 1, 2016, an Indian entity is allowed to make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth as per the last audited balance sheet. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

#### **Other laws**

Through our Subsidiaries, we carry on our operations and business in foreign jurisdictions such as the United Arab Emirates, the United States of America, Singapore, Indonesia, Kenya and Philippines. For further details, see “*Our Business*” on page 147. Our business and operations in such foreign jurisdictions are and will be subject to applicable local laws.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as Inspira Enterprise India Private Limited at Mumbai as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 1, 2008, issued by the RoC. Consequent upon conversion into a public limited company under the Companies Act, 2013, pursuant to a special resolution passed by our Shareholders on June 29, 2021, and a fresh certificate of incorporation dated July 14, 2021 issued by the RoC, the name of our Company was changed to its current name, “Inspira Enterprise India Limited”.

### Change in the Registered Office

Except as disclosed below, there has been no change in our registered office since incorporation.

Effective date of change	Details of change	Reason(s) for change
May 14, 2010	The registered office of our Company was changed from 403/404 B Wing, Dynasty Business Center, J.B Nagar, Andheri (East), Mumbai- 400 059 to Unit No. 23, Level 2, Kalptaru Square, Kondivita Lane, Ramakrishna Mandir Road, Andheri (East), Mumbai- 400 059.	For administrative convenience and to support growth in business and employee count

### Main Objects of our Company

The main objects contained in our Memorandum of Association are as mentioned below:

*“1. To provide all types of value added telecommunication services including, but not limited to, Customer Relationship Management, Supply Chain Management, Business Process Outsourcing, Contact Management, Operator-assisted Message Handling, Web-enabled, Email management, Call Centers, Customer support, for domestic as well as international customers.*

*2. To buy, sell, assemble, repair, design, alter, research, acts of agents, import, export, providing services thereof and deal in all sorts of telecommunications, communications, and optical fiber cables, and personal computer Data processing equipment, peripherals, printers, Disk–drivers, Diskettes, intelligent terminals, Modems, VLSI semiconductors, facsimile equipment, Telex machines, microwave, Power supply systems including UPS, rectifiers and batteries, UHF, VHF Communication equipment, telephones, intercom, telephone cable pressurization systems, electronic and/or computerized exchange (EPABX, EPAX), printed circuit board, automatic float chargers, field engineering support, antennas, transmission tower, audio visual equipment, satellite elevators, trolleys, resistors, condenser coils, transistors; and for all the above categories their incidental, ancillary, complementary and allied equipment, accessories, components, parts, sub-parts, tools, manufactured and semi-manufactured goods, raw materials, plant, machinery, goods, articles and things.*

*3. To carry on business of Telecom Infrastructure Development and to deal in, promote, invest in, establish, finance, support telecom & IT infrastructure and related projects and companies such as telecommunication, information technology, electronic hardware, and information technology enabled telecommunication services, software development and technology parks.*

*4. To carry on the business as manufacturers, producers, makers processors, refiners, mixers, repackers grinders, brewers, distillers, extractors, combiners, converters, fabricators, designers, assemblers, renters, repairers, jobbers, loan licences, finishers, buyers, sellers, importers, exporters, letters to hire, distributors, stockiest, agents, merchants, suppliers, contractors, manufacturers, representatives, chemists, druggists, dealers of all kind and descriptions of drugs, medicines, pharmaceuticals and medicinal articles and preparations such as biologicals, antibiotics, tinctures, spirits, tablets, capsules, powders, pills, lozenges, strip packs, syrups, liquids, ointments, objectables, water for injection, liquors, mineral waters, cordials, tonics, broths, soups, extracts restoratives, veterinary products pharmaceuticals raw materials, vitamins, Ayurvedic medicines, proprietary medicines, surgical dressings, absorbent cotton, bandages, surgical scientific and laboratory instruments, appliances and apparatus, anatomical and orthopedic goods and all requisites for hospitals, patients invalids, doctors, surgeons, physicians etc. heavy and light chemicals compounds, petrochemicals, acids, alkalies, and*



*other preparations and articles having chemical properties. Soaps, soap powders, liquid soaps, detergents, cleaning compounds, dyestuffs, starches, oils, pastes, cosmetics, shampoos, liniments, lotions, perfumeries, toiletries requisites, disinfecting and toilet preparations”*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

#### **Amendments to our Memorandum of Association**

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Draft Red Herring Prospectus:

<b>Date of Shareholders' Resolution</b>	<b>Particulars</b>
March 2, 2012	<p>Amendment of the main objects clause, clause III (A) of our Memorandum of Association to reflect removal of “atomic power plants” from Clause III (A) (1), such that it reads:</p> <p><i>“1. To carry on in India or elsewhere the business to generate, receive, produce, improve, buy, sell, resell, acquire, use, transmit, accumulate, employ, distribute, develop, handle, protect, supply and to act as agent, broker, representative, consultant, collaborator, or otherwise to deal in electric power in all its branches of such place or places as may be permitted by appropriate authorities by establishments of thermal power plants, hydraulic power plants, wind power plants, solar power plants and other power plants based on any source of energy as may be developed.”</i></p>
February 25, 2016	<p>Amendment of clause III (A) of our Memorandum of Association to reflect insertion of sub-clause 7:</p> <p><i>“7. To carry on the business as manufacturers, producers, makers processors, refiners, mixers, repackers grinders, brewers, distillers, extractors, combiners, converters, fabricators, designers, assemblers, renters, repairers, jobbers, loan licences, finishers, buyers, sellers, importers, exporters, letters to hire, distributors, stockiest, agents, merchants, suppliers, contractors, manufacturers, representatives, chemists, druggists, dealers of all kind and descriptions of drugs, medicines, pharmaceuticals and medicinal articles and preparations such as biologicals, antibiotics, tinctures, spirits, tablets, capsules, powders, pills, lozenges, strip packs, syrups, liquids, ointments, objectables, water for injection, liquors, mineral waters, cordials, tonics, broths, soups, extracts restoratives, veterinary products pharmaceuticals raw materials, vitamins, Ayurvedic medicines, proprietary medicines, surgical dressings, absorbent cotton, bandages, surgical scientific and laboratory instruments, appliances and apparatus, anatomical and orthopedic goods and all requisites for hospitals, patients invalids, doctors, surgeons, physicians etc. heavy and light chemicals compounds, petro-chemicals, acids, alkalies, and other preparations and articles having chemical properties. Soaps, soap powders, liquid soaps, detergents, cleaning compounds, dyestuffs, starches, oils, pastes, cosmetics, shampoos, liniments, lotions, perfumeries, toiletries requisites, disinfecting and toilet preparations.”</i></p> <p>Amendment of clause III (B) of our Memorandum of Association to replace the heading of clause III (B), “<i>OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS</i>” with the heading, “<i>MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE BOJECTS SPECIFIED IN CLAUSE III (A)</i>”</p> <p>Amendment of clause III (B) of our Memorandum of Association by replacing sub-clauses 7-39 contained therein under, with sub-clauses 8-82.</p> <p>Amendment of clause III of our Memorandum of Association by deleting the clause III (C), “<i>Other Objects</i>”.</p>

Date of Shareholders' Resolution	Particulars
June 1, 2021	Amendment of Clause V (A) of our Memorandum of Association to reflect increase in our authorised share capital from ₹ 65,000,000 divided into 6,500,000 equity shares of ₹10 each to ₹ 390,000,000 divided into 39,000,000 equity shares of ₹ 10 each.
	Amendment of clause V (A) of our Memorandum of Association to reflect subdivision in the authorised share capital from ₹ 390,000,000 divided into 39,000,000 equity shares of ₹ 10 each to ₹ 390,000,000 divided into 78,000,000 Equity Shares of ₹ 5 each.
June 29, 2021	Amendment to Clause I of our Memorandum of Association to reflect change in the name of our Company from Inspira Enterprise India Private Limited to Inspira Enterprise India Limited consequent upon conversion of our Company from a private limited company to a public limited company.
	Amendment of Clause III (A) of our Memorandum of Association by deleting the sub-clauses 1-3 and re-numbering of the remaining sub-clauses.
August 3, 2021	Amendment of Clause V (A) of our Memorandum of Association to reflect increase in our authorised share capital from ₹ 390,000,000 divided into 78,000,000 Equity Shares of ₹ 5 each to ₹ 440,000,000 divided into 88,000,000 equity shares of ₹ 5 each.

### Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Calendar Year	Particulars
2015	Launched iProtect, a cloud security platform for small and medium businesses and small and medium enterprises
2015	Acquired 40% stake in Manorama Infosolutions Private Limited
2016	Increase in the number of permanent employees to more than 100
2018	Acquired 30% stake in IRAM Technologies Private Limited
	Expanded our business to the United Arab Emirates through setting up of our Subsidiary, Inspira MEA IT Solutions L.L.C.
	Acquired 36% stake in ITS Planners and Engineers Private Limited (directly and through our Subsidiary, Inspira IT Products Singapore Pte. Ltd.)
2019	Expanded our business to Kenya and North America through setting up of our Subsidiaries, Inspira Enterprise INC and Inspira Infotech Africa Limited, respectively
	Increase in the number of permanent employees to more than 300
2020	Acquired the 'Splunk Big Data Analytics' business of Smartcirqls Infotech Private Limited
2021	Expanded our business to the Philippines and Indonesia through setting up of our Subsidiaries, PT Inspira Infotech Indonesia and Inspira Tech Philippines Corporation

### Key awards, accreditations or recognitions

Our Company has received the following key awards, accreditation and recognitions:

Sr. No.	Award/ Accreditations	Calendar Year
1.	Our Company was recognised as "20 Most Recommended Smart City Solutions Providers- 2018" by CIO Insider	2018
2.	Our Company was awarded "Partner of the Year- DC & Cloud" by Juniper Networks.	2018
3.	Our Company was awarded "Best Partner (Security Fabric)" by Fortinet.	2018
4.	Our Company was awarded the Skoch Award for "Swasth Bharat Platinum- Municipal Corporation of Greater Mumbai for Hospital Management Information System".	2019
5.	Our Company was awarded the Partner Performance Excellence Award 2019 for "Rising Star Partner of the Year" by RSA.	2019
6.	Our Company was awarded the CRN Excellence Award 2019 Hyper Converged Infrastructure (North & East)" by Nutanix.	2019

Sr. No.	Award/ Accreditations	Calendar Year
7.	Our Company was recognized among the "Top 250 MSSPs 2020 Edition" by MSSP Alert 2020	2020
8.	Our Company was shortlisted for “Best Security Company of the Year- Over 150 Staff” by Cyber Security Awards.	2020
9.	Our Company was recognised by Atal Bihari Vajpayee Institute of Good Governance & Policy Analysis, Bhopal (MP) 2019-20	2020
10.	Our Company was awarded “2021 APAC Rookie Partner of the Year Award” by Splunk Inc.	2021

### **Our holding company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

### **Subsidiaries, associates or joint ventures**

Other than as disclosed in “Our Subsidiaries and Joint Ventures” beginning on page 205, our Company does not have any subsidiaries, associates or joint ventures.

### **Time/cost overrun**

Other than in the ordinary course of business, there have been no time/cost overruns in relation to implementation of our projects since incorporation.

### **Launch of key products or services, entry into new geographies or exit from existing markets**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets to the extent applicable, see “Our Business” on page 147.

### **Defaults or rescheduling/ restructuring of borrowings with financial institutions/banks**

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled or restructured.

### **Details of material acquisition or divestments in the last 10 years**

Except as disclosed below, our Company has not acquired or divested any business/undertaking in the 10 years preceding the date of this Draft Red Herring Prospectus:

***Share purchase and subscription and shareholders agreement dated July 27, 2015 (the “Manorama SPSHA”) between our Company, Ashvini Danigond, Vipul Danigond and Manorama Infosolutions Private Limited (“Manorama”) and share transfer agreement dated June 21, 2021 (“Manorama STA”) between Vipul Danigond, our Company, Nilaya Varma and Manorama.***

Our Company entered into a share purchase and subscription and shareholders agreement with Manorama and its promoters namely Ashvini Danigond and Vipul Danigond (“**Manorama Promoters**”), pursuant to which our Company (i) was issued and allotted 500 equity shares of Manorama for a consideration of ₹ 5,357,143, and (ii) purchased 3,700 equity shares from one of the Manorama Promoters for a consideration of ₹ 39,642,857. On completion of the subscription and transfer, our Company held 40% of the share capital whereas the Manorama Promoters jointly held 60% of the share capital of Manorama. The Manorama SPSHA records the terms of the parties’ relationship, roles and responsibilities in Manorama and rights of the Company in relation to the Manorama’s operations and management, and other matters in relation thereto.

In terms of the Manorama SPSHA, two directors would be nominated by the Manorama Promoters and so long as our Company holds at least 10% of the shareholding, one director would be appointed by our Company. Further, as long as our Company holds 26% of the shareholding, any reserved matters (as listed in the Manorama SPSHA) would require the affirmative vote of our nominee director and one nominee director of the Manorama Promoters. The Manorama SPSHA also provides for the right of first offer to the parties. As per the Manorama

SPSHA, neither our Company nor the Manorama Promoters can undertake any activity which is in competition with the business of Manorama as on the date of Manorama SPSHA, unless otherwise agreed by the parties and all activity (including future opportunities) in relation to supply or support to software development and/or marketing of medical/health shall be routed through Manorama.

The Manorama SPSHA may be terminated, amongst others, by mutual agreement between parties or automatically if either the Manorama Promoters, collectively, or our Company cease to hold a minimum of 10% of the share capital.

Further, pursuant to the Manorama STA, our Company and Vipul Danigond, have agreed to sell and transfer to Nilaya Varma an aggregate of 630 equity shares (378 equity shares held by Vipul Danigond and 252 equity shares held by our Company), representing 6% of the total equity share capital of Manorama, in two tranches, subject to certain terms and conditions and such consideration, as provided in the Manorama STA. Nilaya Varma, on becoming a shareholder of Manorama, would not be entitled to any special rights nor be entitled to become a member of the board of Manorama.

***Share subscription and shareholders agreement dated March 7, 2018 (the "IRAM SSHA") between our Company, IRAM Technologies Private Limited ("IRAM"), UdayaBhaskar Rao Abburu, Satyanarayana Divi Venkata, Vishal Mehra and Sarath Kumar Kodali (the "IRAM Promoters")***

Our Company entered into a share subscription and shareholders agreement with IRAM and IRAM Promoters, pursuant to which our Company acquired 428,600 equity shares of IRAM, constituting 30% of its equity share capital on a fully diluted basis for an aggregate consideration of ₹ 49,000,000. The IRAM SSHA records the rights of the parties in relation to the corporate governance and management of IRAM and transfer of equity shares by IRAM Promoters and our Company.

In terms of the IRAM SSHA, our Company has the right to appoint one nominee director as long as it continues to hold more than 7% of the share capital. Further, the IRAM Promoters have the right to appoint two nominee directors as well as the managing director of IRAM. Our Company also has certain other rights under the IRAM SSHA in relation to transfer of equity shares, including but not limited to the right of first refusal, tag along rights, drag along rights, right of first offer and also certain pre-emptive rights and anti-dilution rights. If the shareholding of our Company in IRAM at any point increases to 50% of the share capital, then the terms and conditions of the IRAM SSHA would be mutually revised, provided however, that the board composition would be proportionate to the shareholding of the parties.

***Share purchase agreement dated November 5, 2018 ("ITS SPA") between Inspira Singapore, ITS Planners and Engineers Private Limited ("ITS") and Bhashykarlu Rambhala and investment agreement dated November 23, 2018 ("Investment Agreement") between our Company, ITS, Rajesh Krishnan Krishnamoorthy, Gopala Krishnam Raju Nadimpalli and Inspira Singapore***

Inspira Singapore entered into a share purchase agreement pursuant to which Inspira Singapore purchased 3,513 equity shares of ITS from Bhashykarlu Rambhala for an aggregate consideration of ₹ 47,500,000. Further, our Company entered into an investment agreement with ITS, Rajesh Krishnan Krishnamoorthy, Gopala Krishnam Raju Nadimpalli and Inspira Singapore pursuant to which our Company subscribed to and was allotted 2,112 equity shares of ITS for an aggregate consideration of ₹ 20,269,000. On completion of the transactions contemplated in the ITS SPA and Investment Agreement, our Company along with Inspira Singapore, held 36.00% of the share capital of ITS, on a fully diluted basis.

Pursuant to the Investment Agreement, our Company is entitled to nominate and appoint at least one-third of the directors on the board of ITS. In case of certain reserved matters (as listed in the Investment Agreement), prior written consent or affirmative vote of both our nominee director and ITS' promoter's representative would be required. The Investment Agreement also provides for certain rights in relation to transfer of equity shares, such as the right of first offer, tag along rights, drag along rights as well as certain pre-emptive rights and anti-dilution rights. If the shareholding of our Company and Inspira Singapore in ITS at any point is more than 50% of the share capital, then the terms and conditions of the Investment Agreement would be mutually revised. The Investment Agreement would terminate in respect of a party, when such party ceases to hold any equity shares of ITS.

***Business transfer agreement dated November 6, 2020 between our Company, Smartcirqls Infotech Private Limited (“Smartcirqls”), Vishal Malhotra and NCV Investments Private Limited (the agreement “Business Transfer Agreement”)***

Our Company entered into the Business Transfer Agreement for the purchase and transfer of the ownership of Smartcirqls’ “Splunk Big Data Analytics” business relating to Splunk related software, license, product, warranty, AMC sale and services business including moveable assets, IT systems, contracts, employees, books of accounts, files, documents, goodwill but excluding the retained assets and liabilities, on a slump sale basis for a lump sum consideration as a going concern, for ₹ 60 million, payable by our Company, in three tranches, to Smartcirqls. Pursuant to the Business Transfer Agreement, employees of Splunk Inc. were transferred to the payroll of our Company prior to the execution of the agreement. Further, the business undertaking was transferred to our Company on the closing date.

**Mergers or amalgamation in the last 10 years**

Our Company has not undertaken any merger or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus.

**Revaluation of assets in the last 10 years**

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

**Details of shareholders’ agreements**

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholder’s agreements among our Shareholders *vis-a-vis* our Company, which our Company is aware of.

**Other agreements**

Neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

**Significant financial and/or strategic partners**

Our Company does not have any significant financial and/or strategic partners as of the date of filing this Draft Red Herring Prospectus.

**Guarantees given by the Promoter Selling Shareholders**

The Promoter Selling Shareholders have not issued any guarantee in connection with the financing facilities availed by our Company.

## OUR SUBSIDIARIES AND JOINT VENTURES

Our Company has five direct Subsidiaries, three step-down Subsidiaries and three Joint Ventures, as on the date of this Draft Red Herring Prospectus.

### Subsidiaries

#### A. Direct Subsidiaries

- (i) Inspira IT Solutions and Services Private Limited;
- (ii) Inspira MEA IT Solutions L.L.C.;
- (iii) Inspira Enterprise IT Solutions L.L.C.;
- (iv) Inspira Tech Asia Pte. Ltd.; and
- (v) PT Inspira Infotech Indonesia

#### B. Step-down Subsidiaries

- (i) Inspira Enterprise Inc.;
- (ii) Inspira Tech Philippines Corporation; and
- (iii) Inspira Infotech Africa Limited

### Joint Ventures

- (i) ITS Planners & Engineers Private Limited;
- (ii) Manorama Infosolutions Private Limited;
- (iii) IRAM Technologies Private Limited;

For details in relation to the corporate information, nature of business and other details in relation to our Joint Ventures, please see “Group Companies” on page 211. As on date of this Draft Red Herring Prospectus, our Company does not have any “material subsidiaries” in terms of the definition of such term SEBI Listing Regulations.

Set out below are details of our Subsidiaries.

### Direct Subsidiaries

#### 1. Inspira IT Solutions and Services Private Limited (“Inspira India IT”)

##### Corporate Information

Inspira India IT was originally incorporated as Inspira Biomorf Private Limited, a private company limited by shares under the Companies Act, 2013, on January 18, 2011. Its name was subsequently changed to Inspira Biometrics Private Limited pursuant to the fresh certificate of incorporation consequent upon change of name dated December 9, 2011 and then changed to its present name pursuant to the fresh certificate of incorporation consequent upon change of name dated August 2, 2013. Its CIN is U72900MH2011PTC212452, and its registered office is situated at Unit No. 23, Level 2, Kalptaru Square, Kondivita Lane, Ramakrishna Mandir Road, Andheri (East), Mumbai- 400 059.

##### Nature of Business

Inspira India IT is engaged in the business of research and development, designing, manufacturing, marketing and trading in all types of biometric fingerprint, face, iris and other biometric technologies and computer software.

##### Capital Structure

Below is the capital structure of Inspira India IT:

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital	10,000
Issued, subscribed and paid-up share capital	10,000

### Shareholding Pattern

The shareholding pattern of Inspira India IT as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	Number of equity shares (of ₹ 10 each) held	Percentage of total capital (%)
1.	Company	9,999	100.00
2.	Chetan Jain (as nominee of our Company)	1	Negligible
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

### 2. Inspira MEA IT Solutions L.L.C. (“Inspira Dubai”)

#### Corporate Information

Inspira Dubai was incorporated as a limited liability company on July 19, 2018 in accordance with the provisions of the Commercial Companies Law No (2) of 2015 and Law No. (13) of 2011 Regulating Economic Activities in the Emirates of Dubai. Its professional license number is 811141. Its registered office is situated at 1349, 13<sup>th</sup> floor, Burlington Tower, Business Bay, Dubai, United Arab Emirates, 62638.

#### Nature of Business

Inspira Dubai is engaged in design service; cyber security architecture; computer systems and communication equipment; portal; cyber risk management services; IT infrastructure; portal; computer systems housing services; auditing, reviewing and testing; and cyber risks.

#### Capital Structure

Below is the capital structure of Inspira Dubai:

Particulars	No. of equity shares of face value of AED 1,000 each
Share capital	300
Subscribed but not paid not issued share capital	153
Issued, subscribed and paid up share capital	147

### Shareholding Pattern

The shareholding pattern of Inspira Dubai as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	Number of equity shares (of AED 1,000 each) held	Percentage of total capital (%)
1.	Company	147	49.00
2.	Al Najeh Facilities Management LLC	153	51.00
<b>Total</b>		<b>300</b>	<b>100.00</b>

Pursuant to an agreement dated July 31, 2018 relating to the memorandum of association of Inspira Dubai, between Al Najeh Facilities Management LLC (“**Nominee**”) and our Company, our Company funded 100% of the capital of Inspira Dubai and is entitled to 100% of the profits and losses of Inspira Dubai. As a result, our Company accordingly holds the beneficial ownership of 51% shares of Inspira Dubai which are held by in the Nominee’s name. For details, see “*Risk Factors - We are a company with global operations and subject to risks and uncertainties of conducting business outside India.*” on page 42.

### 3. Inspira Enterprise IT Solutions L.L.C. (“Inspira Abu Dhabi”)

#### Corporate Information

Inspira Abu Dhabi was incorporated as a limited liability company on March 28, 2020. in accordance with the provisions of the Federal Law No (2) of 2015. Its registered office is situated at 2030, 20th Floor, Hazza Bin Zayed Street, Al Wahda Commercial Tower, Abu Dhabi, UAE, PO Box 127432. Its commercial license number is CN-3015150.

#### *Nature of Business*

Inspira Abu Dhabi is currently engaged in the business of *inter alia* cyber security consultancy; cyber risk management services; information technology network services; information technology consultancy; electronic equipment and devices systems; computer infrastructure establishment institution and maintenance; internal communication network installation and maintenance; and telecommunication systems equipment installation and maintenance.

#### *Capital Structure*

<b>Particulars</b>	<b>No. of equity shares of face value of AED 500 each</b>
Share capital	100
Subscribed but not paid not issued share capital	51
Issued, subscribed and paid up share capital	49

#### *Shareholding Pattern*

The shareholding pattern of Inspira Abu Dhabi as on the date of this Draft Red Herring Prospectus is as follows:

<b>S. No.</b>	<b>Name of the shareholder</b>	<b>Number of equity shares (of AED 500 each) held</b>	<b>Percentage of total capital (%)</b>
1.	Company	49	49.00
2.	Samira Ali Abdulkader	51	51.00
<b>Total</b>		<b>100</b>	<b>100.00</b>

Pursuant to an agreement dated April 30, 2020 relating to the memorandum of association of Inspira Abu Dhabi between Samira Ali Abdulkader (“**Abu Dhabi Nominee**”) and our Company, our Company contributed 100% of the capital of Inspira Abu Dhabi, and will be entitled to 100% of the profits and losses of Inspira Abu Dhabi. As a result, our Company accordingly holds the beneficial ownership of 51% shares held by the Abu Dhabi Nominee in Inspira Abu Dhabi. For details, see “*Risk Factors - We are a company with global operations and subject to risks and uncertainties of conducting business outside India.*” on page 42.

#### **4. Inspira Tech Asia Pte. Ltd. (“Inspira Singapore”)**

##### *Corporate Information*

Inspira Singapore was originally incorporated as Inspira IT Products Singapore Pte. Ltd. as a private company limited by shares on November 5, 2012, under the Companies Act (Cap 50). Its name was changed to the current name with effect from November 25, 2020. Its unique entity number is 201227224Z and its registered office is situated at 8, Marina View, Asia Square Tower 1, #42-01, Singapore 018960.

##### *Nature of Business*

Inspira Singapore is currently engaged in the business of providing cyber security, IT and IT solutions activities.

##### *Capital Structure*

<b>Particulars</b>	<b>No. of equity shares of face value of SGD 1 each</b>
Paid-up share capital	100

##### *Shareholding Pattern*

The shareholding pattern of Inspira Singapore as on the date of this Draft Red Herring Prospectus is as follows:



Name of the shareholder	Number of equity shares (of SGD 1) held	Percentage of total capital (%)
Company	100	100.00
<b>Total</b>	<b>100</b>	<b>100.00</b>

#### 5. *PT Inspira Infotech Indonesia (“Inspira Indonesia”)*

##### *Corporate Information*

Inspira Indonesia was incorporated as a limited liability legal entity in Jakarta on April 22, 2021 under the Decree by the Minister of Law and Human Rights of Republic of Indonesia Number AHU-0027587.AH.01.01.01.TAHUN2021. Its company registration number is AHU-0073245.AH.01.11.TAHUN 2021 and its office is situated at Prudential Center, 22<sup>nd</sup> floor, Kota Kasablanka Mall, Menteng Dalam Subdistrict, Tebet District, South Jakarta Administrative City, DKI Jakarta Province.

##### *Nature of Business*

Inspira Indonesia is currently engaged in the business of, *inter alia*, information technology data processing and hosting activities.

##### *Capital Structure*

Particulars	No. of equity shares of face value of IDR 1,000,000 each
Authorised share capital	10,000
Stored and subscribed share capital	2,500

##### *Shareholding Pattern*

The shareholding pattern of Inspira Indonesia as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	Number of equity shares (of IDR 1,000,000 each) held	Percentage of total capital (%)
1.	Company	2,499	100.00
2.	Chetan Jain (as nominee of our Company)	1	Negligible
	<b>Total</b>	<b>2,500</b>	<b>100.00</b>

#### **Step-down Subsidiaries**

##### 1. *Inspira Enterprise Inc. (“Inspira USA”)*

##### *Corporate Information*

Inspira USA was incorporated under the provisions of the General Corporation Law of the State of Delaware on September 11, 2019. Its company number is 4549238 and its office is situated at 39270 Paseo Padre Parkway #737 Fremont, California 94538, United States of America.

##### *Nature of Business*

Inspira USA is currently not engaged in any business but is authorized under its charter documents to engage in information technology services.

##### *Capital Structure*

Particulars	No. of equity shares of face value of USD 0.0001 each
Authorised share capital	10,000,000

Issued, subscribed and paid-up share capital	1,000,000
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#### *Shareholding Pattern*

The shareholding pattern of Inspira USA as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of equity shares (of USD 0.0001) held	Percentage of total capital (%)
Inspira Singapore	1,000,000	100.00
<b>Total</b>	<b>1,000,000</b>	<b>100.00</b>

### 2. *Inspira Infotech Africa Limited (“Inspira Kenya”)*

#### *Corporate Information*

Inspira Kenya was incorporated as a private limited company under the Companies Act, 2015 on June 18, 2019. Its company number is PVT-KAUL3KJ. Its registered office is situated at 2nd Floor, Eden Square Block I, Office 36 & 38, Chiromo Road, PO Box 856 – 00606, Nairobi, Kenya.

#### *Nature of Business*

Inspira Kenya is engaged in the business of *inter alia*, information technology and information technology enabled services.

#### *Capital Structure*

Particulars	No. of equity shares of face value of KES 100 each
Nominal capital	1,000
Issued, subscribed and paid-up capital	<b>1,000</b>

#### *Shareholding Pattern*

The shareholding pattern of Inspira Kenya as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of equity shares (of KES 100) held	Percentage of total capital (%)
Inspira Singapore	1,000	100.00
<b>Total</b>	<b>1,000</b>	<b>100.00</b>

### 3. *Inspira Tech Philippines Corporation (“Inspira Philippines”)*

#### *Corporate Information*

Inspira Philippines was incorporated under the Revised Corporation Code of the Philippines (Republic Act No. 11232) and the Foreign Investments Act of 1991 (Republic Act No. 7042) on March 16, 2021. Its company registration number is 2021030008375-07 and its principal office is situated at Office no. 2819, Regus Enterprise, Makati 27 & 28, Tower-2, The Enterprise Centre, Corner Paseo De Roxas and Ayala Avenue, San Lorenzo, City of Makati, Fourth District, National Capital Region, 1226.

#### *Nature of Business*

Inspira Philippines is engaged in the business of operating, managing, and engaging in the business of computer programming, consultancy, cyber security remote monitoring and threat detection.

#### *Capital Structure*

<b>Particulars</b>	<b>No. of equity shares of face value of PHP 1 each</b>
Authorised share capital	11,000,000
Subscribed share capital	2,750,005
Paid-up share capital	687,505

#### *Shareholding Pattern*

The shareholding pattern of Inspira Philippines as on the date of this Draft Red Herring Prospectus is as follows:

<b>Name of the shareholder</b>	<b>Number of equity shares (of PHP 1) held</b>	<b>Percentage of total capital (%)</b>
Maria Janina Rosario Laki Pano	1	Negligible
Patrick P. Sarmiento	1	Negligible
Chetan Jain	1	Negligible
Vishal Jain	1	Negligible
John Josef De Leon Figueroa	1	Negligible
Inspira Singapore	687,500	100.00
<b>Total</b>	<b>687,505</b>	<b>100.00</b>

#### **Accumulated profits or losses**

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries and Joint Ventures that have not been accounted for by our Company.

#### **Interest in our Company**

Except as provided in “*Our Business*” and “*Summary of the Offer Document - Summary of Related Party Transactions*”, on pages 147 and 27, respectively, none of our Subsidiaries and Joint Ventures have any business interest in our Company

#### **Common pursuits**

Our Subsidiaries and Joint Ventures are in the same or similar lines of business as that of our Company and accordingly, there are certain common pursuits amongst our Subsidiaries, Joint Ventures and our Company. Please see “*Risk Factors – Some of our Joint Ventures and Group Companies operate in the same or similar line of business as our Company, which may lead to real or potential conflicts of interest with our business. Further, our Promoters and certain Directors have interests in other companies, which are in businesses similar to ours, which may result in conflicts of interest.*” on page 46.

#### **Other confirmations**

None of our Subsidiaries are listed on any stock exchange in India or abroad. Further, neither have any of the securities of our Subsidiaries been refused listing by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad.

## OUR MANAGEMENT

### Board of Directors

The Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom four are Independent Directors, including one woman Independent Director. Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board as of the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<p><b>Prakash Jain</b></p> <p><i>Designation:</i> Executive Director and Chairman</p> <p><i>Date of birth:</i> February 11, 1951</p> <p><i>Address:</i> Plot-26, Manjul Villa, Vitthal Nagar, JVPD Scheme Juhu, Mumbai-400 049, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> For a period of five years, with effect from May 24, 2021, not liable to retire by rotation</p> <p><i>Period of directorship:</i> Since October 1, 2008</p> <p><i>DIN:</i> 00482154</p>	70	<ol style="list-style-type: none"> <li>1. Inspira IT Solutions and Services Private Limited;</li> <li>2. Porwal Jain Foundation;</li> <li>3. Jito Administrative Training Foundation;</li> <li>4. Realty Finance and Leasing Private Limited; and</li> <li>5. Nova Teletech Private Limited</li> </ol>
<p><b>Chetan Jain</b></p> <p><i>Designation:</i> Managing Director</p> <p><i>Date of birth:</i> February 21, 1977</p> <p><i>Address:</i> Plot No. 26, Manjul Villa, Vitthal Nagar CHS, 10<sup>th</sup>/ 12<sup>th</sup> Cross Road, JVPD Juhu, Mumbai- 400 049, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> For a period of five years, with effect from May 24, 2021, liable to retire by rotation</p> <p><i>Period of directorship:</i> Since October 1, 2008</p> <p><i>DIN:</i> 00183390</p>	44	<ol style="list-style-type: none"> <li>1. Algonox Technologies Private Limited;</li> <li>2. Inspira IT Solutions and Services Private Limited;</li> <li>3. Realty Finance &amp; Leasing Private Limited;</li> <li>4. Young Presidents Organisation (Mumbai Chapter);</li> <li>5. Inspira Enterprise Inc.;</li> <li>6. Inspira Infotech Africa Limited;</li> <li>7. Inspira Enterprise IT Solutions LLC;</li> <li>8. Inspira Tech Philippines Corporation;</li> <li>9. Inspira Tech Asia Pte Ltd;</li> <li>10. Inspira MEA IT Solutions LLC; and</li> <li>11. PT Inspira Infotech Indonesia</li> </ol>
<p><b>Vishal Jain</b></p> <p><i>Designation:</i> Joint Managing Director</p> <p><i>Date of birth:</i> March 15, 1984</p> <p><i>Address:</i> Plot-26, Manjul Villa, Vitthal Nagar, 10<sup>th</sup> Road, JVPD Scheme, Juhu, Mumbai- 400 049, Maharashtra, India</p> <p><i>Occupation:</i> Business</p>	37	<ol style="list-style-type: none"> <li>1. Adora Energy Private Limited;</li> <li>2. IRAM Technologies Private Limited;</li> <li>3. Manorama Infosolutions Private Limited;</li> <li>4. ITS Planners and Engineers Private Limited;</li> <li>5. Inspira Asia Tech Pte Ltd;</li> <li>6. PT Inspira Infotech Indonesia;</li> <li>7. Inspira Tech Philippines Corporation; and</li> <li>8. Inspira Enterprise Inc.</li> </ol>

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<p><i>Current term:</i> For a period of five years, with effect from May 24, 2021, liable to retire by rotation</p> <p><i>Period of directorship:</i> Since May 14, 2010</p> <p><i>DIN:</i> 02991811</p>		
<p><b>Jigar Jain</b></p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>Date of birth:</i> October 9, 1973</p> <p><i>Address:</i> Plot No. 26, Vithal Nagar CHS, Vile Parle (West), Mumbai- 400 049, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> With effect from May 24, 2021, not liable to retire by rotation</p> <p><i>Period of directorship:</i> Since January 5, 2015</p> <p><i>DIN:</i> 00322278</p>	47	<ol style="list-style-type: none"> <li>1. Nova Teletech Private Limited; and</li> <li>2. Adora Energy Private Limited</li> </ol>
<p><b>Appen Menon</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> February 11, 1951</p> <p><i>Address:</i> 23 Dogwood Road, Searingtown, New York, USA 11507</p> <p><i>Occupation:</i> Attorney</p> <p><i>Current term:</i> For a period of two years with effect from June 2, 2021, not liable to retire by rotation</p> <p><i>Period of directorship:</i> Since June 2, 2021</p> <p><i>DIN:</i> 09142076</p>	70	<ol style="list-style-type: none"> <li>1. KMF Investment Group LLC</li> </ol>
<p><b>Manju Agarwal</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> December 30, 1957</p> <p><i>Address:</i> Flat No. 14254, ATS One Hamlet Gh 01, Sector 104 Gautam Buddha Nagar, Noida, Uttar Pradesh - 201301</p> <p><i>Occupation:</i> Consultant</p> <p><i>Current term:</i> For a period of five years with effect from June 2, 2021, not liable to retire by rotation</p> <p><i>Period of directorship:</i> Since June 2, 2021</p> <p><i>DIN:</i> 06921105</p>	63	<ol style="list-style-type: none"> <li>1. Gulf Oil Lubricants India Limited;</li> <li>2. Iffco Kisan Finance Limited;</li> <li>3. Hinduja Leyland Finance Limited;</li> <li>4. Vistaar Financial Services Private Limited;</li> <li>5. IndiaIdeas.Com Limited;</li> <li>6. Glenmark Life Sciences Limited;</li> <li>7. PayTM Payment Banks Limited.</li> </ol>
<p><b>Vijay Bhatt</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> May 9, 1959</p>	62	<ol style="list-style-type: none"> <li>1. Bandhan Bank Limited; and</li> <li>2. Qontrac Prints Private Limited</li> </ol>

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<p><i>Address:</i> 2/1 Palacimo, Indranarayan Road, Santacruz West Mumbai, Maharashtra- 400054</p> <p><i>Occupation:</i> Chartered Accountant</p> <p><i>Current term:</i> For a period of five years with effect from June 2 2021, not liable to retire by rotation</p> <p><i>Period of directorship:</i> Since June 2, 2021</p> <p><i>DIN:</i> 00751001</p>		
<p><b>Matthew Bross</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> September 25, 1960</p> <p><i>Address:</i> 7 Hillside Court, Wentzville, Missouri, USA - 63385</p> <p><i>Occupation:</i> Professional (Science and technology)</p> <p><i>Current term:</i> For a period of two years with effect from June 2 2021, not liable to retire by rotation</p> <p><i>Period of directorship:</i> Since June 2, 2021</p> <p><i>DIN:</i> 09153088</p>	60	<ol style="list-style-type: none"> <li>1. Axellio Inc.; and</li> <li>2. DZS Inc.</li> </ol>

### Brief profiles of our Directors

**Prakash Jain** is the Executive Director and Chairman and Director of our Company. He holds a master’s degree in electrical engineering from the Polytechnic Institute of Brooklyn. He has been associated with our Company since its incorporation in October 2008 as a Director and Promoter. He has nearly three decades of experience in the field of information technology and telecom. Prior to founding our Company, he was the founder and director of i2i Enterprise Limited, a company specializing in internet protocol communication services and global network service provider which was acquired in 2007 by BT Telecom India Private Limited, joint venture of the BT Group plc. He was also previously associated with Xerox Corporation and BT Group plc. Currently, he serves as the director of the Jain International Trade Organization Administrative Training Foundation. He is also the honorary consul of the Republic of Rwanda in Mumbai since December 2011.

**Chetan Jain** is the founder and Managing Director of our Company. He holds a bachelor of science degree in electrical engineering from Tufts University, Boston, United States and completed the owner/president management program conducted by the Harvard Business School. He has been associated with our Company since its incorporation in October 2008 and is focused on expanding our Company’s business in North America. During his decade long association with our Company, he has served as the director for business developments for banking and financial services industry and director for international field operations. He was recognised for “*Outstanding Academic Achievement in 1995*” by the “*Presidents Education Awards Program*”. Prior to joining our Company, he was associated with i2i Enterprise Limited as its director which was later acquired by BT Group plc.

**Vishal Jain** is the Managing Director of our Company. He holds a bachelor of science degree in engineering (electrical engineering) from the University of Michigan, Ann Arbour, United States. He has been associated with our Company since May 2010 and oversees, *inter alia*, our Company’s strategy execution, customer success, and partner experience. He has over a decade of experience in the field of information technology. He serves as our Company’s representative on the board of directors for Manorama, iRam, and ITSPE.

**Jigar Jain** is a Non-Executive Director of our Company. He holds a bachelor of science degree in marketing from Bentley College, Maltham, Massachusetts, United States. He has been associated with our Company since January 2015. He is the founder of Adora Energy Private Limited which has successfully won and completed a 2 MW solar power project with 25 years power purchase agreement from the Indian Renewable Energy Development Agency, Government of India. He is engaged in a joint venture with a Korean company, Yooil Infrastructure

Private Limited, involved in the construction of air inflatable technology for water management and environment protection.

**Appen Menon** is an Independent Director of our Company. He holds an LLB degree from Bangalore University, a master's degree in law from Temple University of the Commonwealth System of Higher Education, and a diploma in journalism and public relations from the Rajendra Prasad Institute of Communication Studies, Bombay. He is duly licensed to practice as an attorney and counsellor at law in the state of New York years. He is a partner in the law firm of Condon & Forsyth LLP and represents banks and corporations in transactional, regulatory and litigation matters. He is a member of the American Bar Association. He is the chairman of the executive board of the Indian American International Chamber of Commerce, an organization that promotes trade and commerce between United States and India. He has been associated with our Company since June 2, 2021.

**Manju Agarwal** is an Independent Director of our Company. She holds a bachelor's degree in arts and a master's degree in arts from the University of Allahabad. She is a certificated associate of the Indian Institute of Bankers. She has been associated with our Company since June 2, 2021. She has over three decades of experience in the field of banking. In the past, she has been associated with State Bank of India from 1983 to 2017 in various capacities, most recently as the deputy managing director - digital banking and new business. She currently serves on the board of directors of various entities including IFFCO Kisan Finance Limited, Hinduja Leyland Finance Limited, Vistaar Financial Services Private Limited, IndiaIdeas.Com Limited, Gulf Oil Lubricants India Limited, Glenmark Life Sciences Limited, and Paytm Payments Bank Limited

**Vijay Bhatt** is an Independent Director of our Company. He holds a bachelor of commerce degree and a bachelor of laws (general) degree from the University of Bombay. He is a fellow of the Institute of Chartered Accountants of India ("ICAI"). He has been associated with our Company since June 2, 2021. He has almost three decades of experience in audit and accounting which includes 13 years of experience as a partner in the Big Four accounting firm in the field of audit services. In the past, he was associated with BSR & Affiliates, S.R. Batliboi & Co. LLP and RSM & Co. as a partner.

**Matthew Bross** is an Independent Director of our Company. He received the Willian Pitt Fellowship from Pembroke College, Cambridge in 2007. He has been associated with our Company since June 2, 2021. He has vast experience in the field of technology development and innovation. He currently serves as a member of the Institute of Electrical and Electronics Future Directions Committee advisory industry board. He is the Chairman of the Global Information Infrastructure Commission In the past, he was associated with Huwaei as the Chief Technology Officer, BT Group as the group chief technology officer, BT Innovate as its chief executive officer, and EastWest Institute as a member of the board of directors. He was ranked 17<sup>th</sup> in the 2010 list of the 'Most Powerful People in Wireless' by Fierce Wireless.

### **Confirmations**

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Except Prakash Jain, who is the father of Jigar Jain, Chetan Jain and Vishal Jain, none of our other Directors are related to each another.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as Wilful Defaulters as defined under the SEBI ICDR Regulations.

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

There are no arrangements or understandings with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed or selected as a director.

### Service contracts with Directors

Our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of employment.

### Terms of appointment of our Executive Directors:

#### 1. Prakash Jain

Our Board at their meeting held on May 24, 2021 approved the re-appointment of Prakash Jain as Executive Director and Chairman, liable to retire by rotation. Our Shareholders have approved such re-appointment at their extra-ordinary general meeting held on May 25, 2021. The following table sets forth the terms of appointment of Prakash Jain as approved by our Shareholders at their meeting held on May 25, 2021 and recorded in the agreement dated May 25, 2021 (as amended by the supplemental agreement dated August 3, 2021) entered into between our Company and Prakash Jain.

Sr. No.	Category	Details
1.	Annual remuneration (basic pay)	₹ 7.50 million per annum
2.	Remuneration based on net profits	Remuneration based on net profits as determined by the Board, such that the overall remuneration to Executive Directors of our Company does not exceed 10% of the of the net profits of the Company as provided in Section 197 of the Companies Act, 2013
3.	Gratuity	Subject to completion of five years of service, gratuity not exceeding to half a month's salary shall be payable.
4.	Bonus	A performance based bonus of an amount not exceeding 100% of the basic salary or performance of the Company, as may be decided by the Board.
5.	Perquisites and allowances	Club membership, medical reimbursement incurred for him as well as his spouse (including medical insurance premium per the Company's policy); personal accident insurance policy, conveyance facilities, telephone expenses and other communication facilities, leave travel allowance (for him and his family once in a year).

#### 2. Chetan Jain

Our Board at their meeting held on May 24, 2021 approved the appointment of Chetan Jain as our Managing Director for a period of five years, liable to retire by rotation. Our Shareholders have approved such appointment at their extra-ordinary general meeting held on May 25, 2021 for a period of five years, liable to retire by rotation. The following table sets forth the terms of appointment of Chetan Jain as approved by our Shareholders at their meeting held on May 25, 2021 and recorded in the agreement dated May 25, 2021 (as amended by the supplemental agreement dated August 3, 2021) entered into between our Company and Chetan Jain.

Sr. No.	Category	Details
1.	Annual remuneration (basic pay)	₹ 5.00 million per annum
2.	Remuneration based on net profits	Remuneration based on net profits as determined by the Board, such that the overall remuneration to Executive Directors of our Company does not exceed 10% of the of the net profits of the Company as provided in Section 197 of the Companies Act, 2013
3.	Gratuity	Subject to completion of five years of service, gratuity not exceeding to half a month's salary shall be payable.
4.	Bonus	A performance based bonus of an amount not exceeding 100% of the basic salary or performance of the Company, as may be decided by the Board.



Sr. No.	Category	Details
5.	Perquisites and allowances	Club membership, medical reimbursement incurred for him as well as his spouse (including medical insurance premium per the Company's policy); personal accident insurance policy, conveyance facilities, telephone expenses and other communication facilities, leave travel allowance (for him and his family once in a year).

### 3. Vishal Jain

Our Board at their meeting held on May 24, 2021 approved the appointment of Vishal Jain as our Joint Managing Director for a period of five years, liable to retire by rotation. Our Shareholders have approved such appointment at their extra-ordinary general meeting held on May 25, 2021 for a period of five years, liable to retire by rotation. The following table sets forth the terms of appointment of Vishal Jain as approved our Shareholders at their meeting held on May 25, 2021 and recorded in the agreement dated May 25, 2021 (as amended by the supplemental agreement dated August 3, 2021) entered into between our Company and Vishal Jain.

Sr. No.	Category	Details
1.	Annual remuneration (basic pay)	₹ 5.00 million per annum
2.	Remuneration based on net profits	Remuneration based on net profits as determined by the Board, such that the overall remuneration to Executive Directors of our Company does not exceed 10% of the of the net profits of the Company as provided in Section 197 of the Companies Act, 2013
3.	Gratuity	Subject to completion of five years of service, gratuity not exceeding to half a month's salary shall be payable.
4.	Bonus	A performance based bonus of an amount not exceeding 100% of the basic salary or performance of the Company, as may be decided by the Board.
5.	Perquisites and allowances	Club membership, medical reimbursement incurred for him as well as his spouse (including medical insurance premium per the Company's policy); personal accident insurance policy, conveyance facilities, telephone expenses and other communication facilities, leave travel allowance (for him and his family once in a year).

#### Terms of appointment of our non-Executive Director

Our Non-Executive Director has pursuant to a letter dated May 31, 2021, waived his right to receive sitting fees for attending meetings of the Board or committees of the Board.

#### Terms of appointment of our Independent Directors

Pursuant to a resolution of our Board dated May 24, 2021, our Independent Directors are entitled to receive sitting fees of ₹ 75,000 per meeting for attending meetings of the Board and for attending meetings of committees of the Board. Further, our Independent directors are also entitled to receive a monthly remuneration of ₹ 2,50,000 within the limits prescribed under the Companies Act, 2013, and the rules made thereunder.

#### Payments or benefits to Directors

Other than as disclosed above, our Company has not entered into any contract appointing or fixing the remuneration of a Director in the two years preceding the date of this Draft Red Herring Prospectus.

In Fiscal 2021, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation) other than the remuneration paid to them for such period. The remuneration paid to our Directors in Fiscal 2021 is as follows:

#### 1. Executive Directors

The details of the remuneration paid to our Executive Directors in Fiscal 2021 is as set out below:

Name of Director	Designation	Remuneration (in ₹ million)*
Prakash Jain	Executive Director and Chairman	7.50
Chetan Jain	Managing Director	5.00
Vishal Jain	Joint Managing Director	5.00

\*This includes short term employee benefits and key management personnel who are under the employment of the Group are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS19- Employee Benefits in the Restated Consolidated Financial Statements. As these employee benefits are lumpsum such amounts provided on the basis of actuarial valuation, the same is not included above.

## 2. Non-Executive non-Independent Director

No sitting fees or commission was paid to our Non-Executive non-Independent Director during Fiscal 2021.

## 3. Independent Directors

Not applicable since all our Independent Directors were appointed during the current Fiscal i.e. Fiscal 2022.

### Remuneration paid by our Subsidiaries

None of our Directors have received or were entitled to receive any remuneration, sitting fees or commission from any of our Subsidiaries in Fiscal 2021.

### Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by the Directors, as on date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	Number of Equity Shares held	% of total pre-Offer paid up Equity Share capital
1.	Prakash Jain*	18,855,888	26.00
2.	Chetan Jain	600,000	0.83
3.	Jigar Jain	12	Negligible

\*Additionally, Prakash Jain, in his capacity as a trustee of Manjula Jain Family Trust holds 13,200,000 Equity Shares representing 18.20% of the paid-up Equity Share Capital of the Company.

### Borrowing Powers

Pursuant to our Articles of Association, the applicable provisions of the Companies Act, 2013, and a resolution passed by our Shareholders at their EGM held on June 29, 2021, our Board has been authorized to borrow money in one or more tranches, as and when required and, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of ₹ 4,500 million, notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeding the aggregate of the paid-up share capital of the Company and its free reserves.

### Bonus or profit-sharing plan for our Directors

Except as mentioned above, our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

### Interest of Directors

All our Independent Directors may be deemed to be interested to the extent of sitting fees and remuneration payable to them for attending meetings of our Board and/or committees thereof as approved by our Board, the reimbursement of expenses payable to them as approved by our Board. Our Executive Director and Chairman, Managing Director and Joint Managing Director may be deemed to be interested to the extent of the remuneration

payable to each of them by our Company as Directors of our Company and any bonuses and commission payable to them as per their respective terms of appointment. Further, our Directors, Chetan Jain, Vishal Jain and Jigar Jain are also interested in our Company to the extent of unsecured loans granted by them and repayment thereof. For further details, please see “*Summary of the Offer Document - Summary of Related Party Transactions*” on page 27.

Prakash Jain, Chetan Jain and Jigar Jain may also be interested to the extent of their shareholding in our Company, if any, and to the extent of any dividend payable to them and other distributions in respect of such shareholding.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

#### *Interest of Directors in the promotion or formation of our Company*

Other than Prakash Jain, Chetan Jain and Vishal Jain, none of our Directors have any interest in the promotion or formation of our Company. Further, Jigar Jain is a member of the Promoter Group of our Company.

Our Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company.

Further, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus. However, our Registered and Corporate Office is held by us on a leave and license basis from Realty Finance, one of our Promoter Group companies, in which Prakash Jain and Chetan Jain are directors. For further details see “*Group Companies*” on page 211.

#### **Changes to our Board in the last three years**

Except as mentioned below, there have been no changes in our Directors in the last three years:

<b>Name</b>	<b>Designation (at the time of appointment / change in designation / cessation)</b>	<b>Date of appointment / change in designation / cessation</b>	<b>Reason</b>
Jigar Jain	Executive Director	May 24, 2021	Change in designation to Non-Executive Director
Appen Menon	Independent Director	June 2, 2021	Appointed as Independent Director
Manju Agarwal	Independent Director	June 2, 2021	Appointed as Independent Director
Vijay Bhatt	Independent Director	June 2, 2021	Appointed as Independent Director
Matthew Bross	Independent Director	June 2, 2021	Appointed as Independent Director
Prakash Jain	Executive Director and Chairman	May 24, 2021	Designated as Executive Director and Chairman
Chetan Jain	Managing Director	May 24, 2021	Designated as Managing Director
Vishal Jain	Joint Managing Director	May 24, 2021	Designated as Joint Managing Director

#### **Corporate Governance**

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom four are Independent Directors, including one woman Independent Director.

#### **Committees of our Board**

Our Board may constitute committees to delegate certain powers as permitted under the Companies Act, 2013.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

### **1. Audit Committee**

The Audit committee was constituted by a resolution of our Board dated June 28, 2021. The current constitution of the Audit committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Vijay Bhatt	Chairperson	Independent Director
Manju Agarwal	Member	Independent Director
Prakash Jain	Member	Executive Director and Chairman

The Audit Committee shall have powers, which should include the following:

#### **Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its term of reference;
2. to seek information from any employee of the Company;
3. to obtain outside legal or other professional advice;
4. to secure attendance of outsiders with relevant expertise if it is considered necessary; and
5. such powers as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations.

#### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the director's responsibility statement to be included in the Board's report, in terms of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions; and
  - (g) Qualifications and modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document/prospectus/notice and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Formulating a policy on related party transactions, which shall include materiality of related party transaction;
9. Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transaction proposed to be entered into by the Company subject to such conditions as may be prescribed;

*Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.*

10. Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
11. Scrutiny of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the Company, wherever it is necessary;
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
21. Reviewing the functioning of the whistle blower mechanism;
22. Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
23. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;

24. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;
25. Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances; and
26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
27. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
28. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
29. Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.
30. The Audit Committee shall mandatorily review the following information:
  - (a) management discussion and analysis of financial condition and results of operations;
  - (b) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (c) management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (d) internal audit reports relating to internal control weaknesses; and
  - (e) the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee;
  - (f) statement of deviations:
    - (i) quarterly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
    - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - (g) review the financial statements, in particular, the investments made by any unlisted subsidiary.”

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations.

The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

## **2. Nomination and Remuneration Committee (“NR Committee”)**

The NR Committee was last reconstituted by a resolution of our Board dated July 25, 2021. The current constitution of the NR Committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Manju Agarwal	Chairperson	Independent Director
Appen Menon	Member	Independent Director

Name of Director	Position in the Committee	Designation
Vijay Bhatt	Member	Independent Director
Prakash Jain	Member	Executive Director and Chairman

The scope and function of the NR Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

- (a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (b) Formulation of criteria for evaluation of performance of independent directors and the Board;
- (c) Devising a policy on Board diversity;
- (d) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- (e) Analysing, monitoring and reviewing various human resource and compensation matters;
- (f) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (g) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);
- (h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (i) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (j) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (k) Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:
- i. Determining the eligibility of employees to participate under the ESOP Scheme;
  - ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
  - iii. Date of grant;
  - iv. Determining the exercise price of the option under the ESOP Scheme;
  - v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
  - vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

- vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
  - viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
  - x. The grant, vest and exercise of option in case of employees who are on long leave;
  - xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;
  - xii. The procedure for cashless exercise of options;
  - xiii. Forfeiture/ cancellation of options granted;
  - xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
    - the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
    - for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
    - the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
- (l) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- (m) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
- a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
  - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended,
- by the Company and its employees, as applicable.
- (n) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.”
- (o) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

### 3. *Corporate Social Responsibility Committee (“CSR Committee”)*

The CSR Committee was last reconstituted by a resolution of our Board dated June 28, 2021. The current constitution of the CSR Committee is as follows:

Name of Director	Position in the Committee	Designation
Matthew Bross	Chairperson	Independent Director
Chetan Jain	Member	Managing Director
Vishal Jain	Member	Joint Managing Director

The terms of reference of the CSR Committee framed in accordance with Section 135 of the Companies Act, 2013, are as follows:



- i. Formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities undertaken by the Company in areas or subjects specified in Schedule VII;
- ii. Recommend the amount of expenditure to be incurred on the activities referred to in clause (i);
- iii. Monitor the corporate social responsibility policy of the Company from time to time.

#### **4. Stakeholders Relationship Committee (“SR Committee”)**

The SR Committee was constituted by a resolution of our Board dated June 28, 2021. The current constitution of the SR Committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Appen Menon	Chairperson	Independent Director
Matthew Bross	Member	Independent Director
Vishal Jain	Member	Joint Managing Director

The scope and function of the SR committee is in accordance with Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

- (a) Redressal of all security holders’ and investors’ grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints;
- (b) Reviewing of measures taken for effective exercise of voting rights by shareholders;
- (c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (d) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (e) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (f) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- (g) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

The Stakeholders’ Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

#### **5. Risk Management Committee (“RM Committee”)**

The RM Committee was constituted by a resolution of our Board dated June 28, 2021. The current constitution of the RM Committee is as follows:

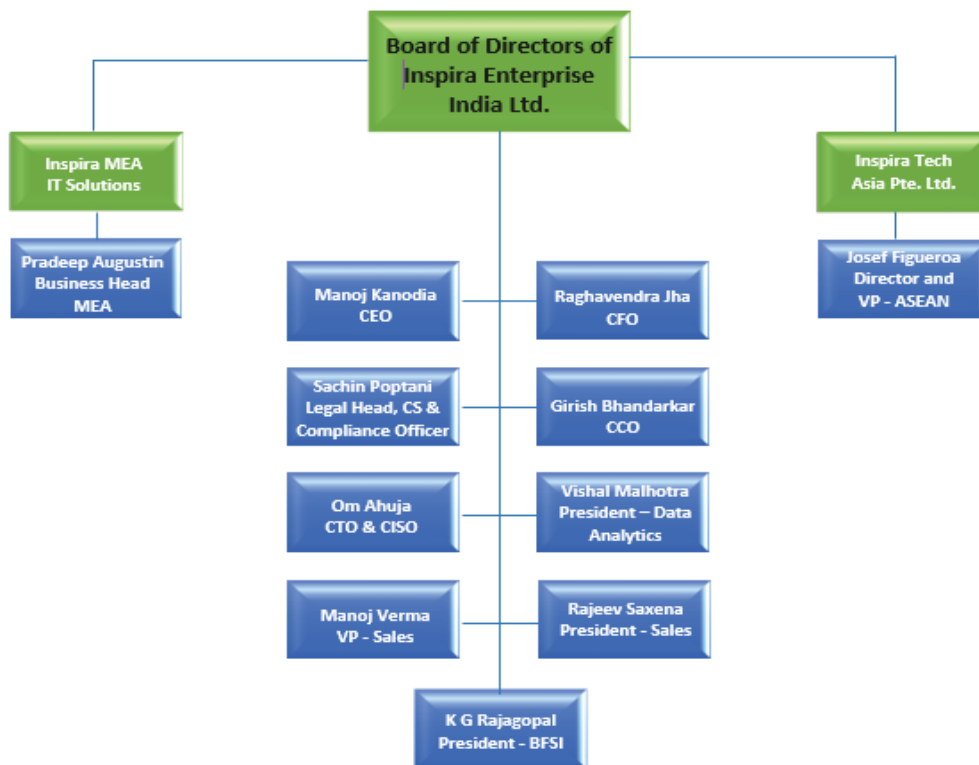
<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Appen Menon	Chairperson	Independent Director
Chetan Jain	Member	Managing Director
Vishal Jain	Member	Joint Managing Director

The scope and function of the RM Committee is in accordance with Regulation 21 of the SEBI Listing Regulations and its terms of reference are as follows:

- (i) To formulate a detailed risk management policy which shall include:

- framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined;
  - Measures for risk mitigation including systems and processes for internal control of identified risks;
  - Business continuity plan.
- (ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (v) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (vi) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- (vii) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;
- (viii) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security; and
- (ix) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

**Management organization chart**



## Key Managerial Personnel

In addition to Chetan Jain, our Managing Director and Vishal Jain, our Joint Managing Director, whose details are provided in “*Our Management - Brief profiles of our Directors*” on page 188, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

**Manoj Kanodia** is the *Chief Executive Officer* of our Company. He joined our Company on January 1, 2009. He holds a bachelor’s degree in engineering (electronics) from S.V.R. College of Engineering and Technology. He is currently oversees implementation of the Company’s strategies including with respect to end-to-end cybersecurity solutions. He has vast experience in the field of telecom, information technology, security and networking solutions. Prior to joining our Company, he was associated with Telstra V-Comm and BT (Worldwide) Limited. He was the recipient of the “Directors Club award” in 2004 from BT (Worldwide) Limited for outstanding sales success for BT strategic markets in the financial year 1999-2000. In Fiscal 2021, he received remuneration of ₹18.05\* million from our Company.

**Raghavendra Jha** is the *Chief Financial Officer* of our Company. He joined our Company on May 3, 2021. He holds a bachelor of science degree (physics honours) from Ranchi University. He is a member of the Institute of Chartered Accountants of India. He is currently responsible for financial reporting and internal controls of the Company. He has over 15 years of experience in the field of finance and accounting. Prior to joining our Company, he was associated with Wipro Limited as general manager, FSS Head, Landmark group as head of finance, and Tata Iron & Steel Company Limited as accounts manager, Progeon Limited as senior associate – operations, and Caterpillar India Private Limited as senior staff accountant. Since he joined during Fiscal 2022, he did not receive any remuneration from our Company in Fiscal 2021.

**Sachin Poptani** is the *Head of Legal, Company Secretary and Compliance Officer* of our Company. He joined our Company on September 10, 2010 and was appointed as the Company Secretary and Compliance Officer pursuant to a resolution of our Board dated August 2, 2021. He holds a bachelor of law degree from University of Mumbai and bachelor of commerce degree from University of Bombay. He is an associate of the Institute of Company Secretaries of India. He is currently responsible for legal and corporate governance matters of our Company. He has 27 years of experience in the information technology, manufacturing and telecommunications industries. Prior to joining our Company, he was associated with Tata Communications Limited as Senior Manager and BT Global Communications India Private Limited as company secretary and senior legal manager, Milton Global Limited as the company secretary/head of legal department, and Nikman Financial Services Private Limited as officer (MBD). He was also the company secretary for Vijayjyot Seats Private Limited, Aryan Pesticides Limited, and B.R.T. Limited. In Fiscal 2021, he received ₹ 7.44 million\* from our Company.

**Girish Bhandarkar** is the *Chief Customer Officer* of our Company. He joined our Company on December 2, 2019. He holds a bachelor’s degree in engineering (electronics and communication) from Sri Dharmasthala Manjunatheswara College of Engineering and Technology. He is currently responsible for our Company’s customer service management. He has 35 years of experience in the field of customer-centric services in the information technology and telecom industry. Prior to joining our Company, he was associated with BT Global Communications India Private Limited in various capacities, most recently as the senior director, head of presales and IP networking and BT Infonet India, i2i Enterprise Limited. In Fiscal 2021, he received ₹7.54 million from our Company.

**Josef Figueroa** is the *Director and Vice President- ASEAN Region* of our Subsidiary, Inspira Singapore. He joined Inspira Singapore on October 26, 2020. He holds a bachelor of engineering and telecommunications degree and a master of engineering management degree from University of Technology, Sydney. He is currently responsible for the direction and management, including establishing a go to market for our Company’s business in South East Asia where the primary focus is on enterprise sales of our managed service in security, cloud, big data and analytics. He has several years of experience in the field of information technology and telecommunications. Prior to joining our Inspira Tech, he was associated with Dimension Data Asia Pacific Pte Limited, most recently as head of vertical solutions, BT Singapore Private Limited as account director, Orange Business Services as global head of consulting practice. In Fiscal 2021, he received SGD 0.18 million from our Subsidiary, Inspira Singapore.

**KG Rajagopal** is the *President – BFSI* of our Company. He joined our Company on November 4, 2015. He holds a diploma in electrical engineering from Maharaja Technological Institute, Trichur and successfully completed the executive master’s program in business administration (business marketing management) from the Indian

Institute of Business Management and Studies. He is currently responsible for banking, financial services and insurance business of our Company. He has over 31 years of experience in the field of sales, operation, and customer management in the information technology industry. Prior to joining our Company, he was associated with HCL Infosystems Limited as General Manager. In Fiscal 2021, he received ₹9.68 million from our Company.

**Manoj Verma** is the *Senior Vice President- Sales* of our Company. He joined our Company on July 15, 2015. He holds a graduate diploma in business management from the Birla Institute of Management Technology. He has also cleared the Insurance Brokers Examination and qualified as a composite broker. He is currently responsible for management of the Central Government vertical managing all major central ministries, National Informatics Centre and National Informatics Centre Services Inc. business, apart from certain State Government and Strategic Deals and responsible for business growth and ensuring P&L management for his vertical. Prior to joining our Company, he was associated with Extreme Networks India Private Limited as sales manager-India, Websense Software Services India Private Limited as a territory account manager, and Network Solutions Private Limited. He received the Q1'2007 Spot Winner Award from Network Solutions Private Limited. In Fiscal 2021, he received ₹4.90 million from our Company.

**Pradeep Augustine** is the *Business Head – MEA* of Inspira MEA IT Solutions LLC (“**Inspira Dubai**”). He joined Inspira MEA on February 14, 2021. He holds a bachelor of engineering degree from North Maharashtra University, Jalgaon. He is currently responsible for leading the business our Company’s business for Middle East and Africa. He domain of expertise lies in the field of information technology, security and networking solutions. Prior to joining our Company, he was associated with Wipro Limited as vertical head of the public section, Gulf, and ISYX Technologies LLC as sales head- MENA. In Fiscal 2021, he received AED 0.08 million from our Subsidiary, Inspira Dubai.

**Rajeev Saxena** is the *President – Sales* of our Company. He joined our Company on January 8, 2009 as a business development manager. He holds a master of science degree, majoring in bio-statistics from Indian Veterinary Research Institute. He is currently responsible for managing government business, establishing and sustaining beneficial relationships with key players in the market and handling strategic accounts. Prior to joining our Company, he was associated with Intex Technologies (India) Limited, most recently as deputy manager – product group, Zenith Computers Limited as major account manager, and Xserve India Private Limited as business development manager. In Fiscal 2021, he received ₹5.31 million from our Company.

**Vishal Malhotra** is the *President - Data Analytics* of our Company. He joined our Company on November 11, 2020. He holds a bachelor’s degree in engineering (computer branch) from Bharti Vidyapeeth College of Engineering, Pune. He is currently responsible for the global expansion of the analytics practice of our Company. He has over 15 years of experience in the field of developing and delivering analytic cloud solutions. Prior to joining our Company, he was associated with SmartCirqls Infotech Private Limited. In Fiscal 2021, he received ₹1.39 million from our Company.

**Om Ahuja** is the *Chief Technology Officer & Chief Information Security Officer* of our Company. He joined our Company on February 17, 2014. He holds a bachelor of engineering degree and master of financial management degree from University of Mumbai, and successfully completed the post graduate programme in management for senior executives from the Indian School of Business. He is a certified information systems security professional. He is currently responsible for cybersecurity practice of our Company. He has 14 years of experience in the field of cyber-security and information technology. Prior to joining our Company, he was associated with IBM India Private Limited, most recently as security services offerings leader- GTS, MIEL e-Security Private Limited as business development manager, Paladion Networks as security consultant, Tech Mahindra Limited as senior technical associate, McAfee. In Fiscal 2021, he received ₹8.05 million from our Company.

*\*This includes short term employee benefits and key management personnel who are under the employment of the Group are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS19- Employee Benefits in the Restated Consolidated Financial Statements. As these employee benefits are lumpsum such amounts provided on the basis of actuarial valuation, the same is not included above.*

All our Key Managerial Personnel are permanent employees of our Company or our Subsidiaries, as the case may be.

#### **Retirement and termination benefits**

Except applicable statutory benefits, none of our Key Managerial Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

### **Family relationships of Directors with Key Managerial Personnel**

Except Prakash Jain, who is the father of Chetan Jain, Vishal Jain and Jigar Jain, none of our Key Managerial Personnel are related to any of our Directors or other Key Managerial Personnel.

### **Arrangements and Understanding with Major Shareholders**

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

### **Shareholding of the Key Managerial Personnel**

None of our Key Managerial Personnel (other than our Directors) hold any Equity Shares as on date of this Draft Red Herring Prospectus.

### **Service Contracts with Key Managerial Personnel**

Our Key Managerial Personnel have not entered into any service contracts with our Company.

### **Contingent and deferred compensation payable to Key Managerial Personnel**

There is no contingent or deferred compensation payable to Key Managerial Personnel, which does not form part of their remuneration.

### **Bonus or profit-sharing plan of the Key Managerial Personnel**

Except for performance linked bonus per the terms of appointment of the Key Managerial Personnel, our Company does not have any formal bonus or profit-sharing plan.

### **Interest of Key Managerial Personnel**

For details of the interest of our Executive Directors in our Company, see “*Our Management - Interest of Directors*” on page 192.

Our Key Managerial Personnel (other than our Directors) are interested in our Company only to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

### **Changes in the Key Managerial Personnel in last three years:**

For details of the changes in our Executive Directors, see “*Our Management - Changes to our Board in the last three years*” on page 193. The changes in our Key Managerial Personnel (other than our Directors) in the three years preceding the date of this Draft Red Herring Prospectus is as mentioned below:

<b>Name</b>	<b>Designation</b>	<b>Date of Change</b>	<b>Reason</b>
Sachin Poptani	Company Secretary of our Company	April 1, 2019	Appointment as Company Secretary of our Company
Girish Bhandarkar	Chief Customer Officer of our Company	December 2, 2019	Appointed as Chief Customer Officer of our Company
Sachin Poptani	Company Secretary of our Company	April 1, 2020	Cessation as Company Secretary of our Company
Sanjaykumar Dhoot	Chief financial officer of our Company	April 1, 2020	Cessation as chief financial officer
Jay Prakash Sahal	Chief financial officer of our Company	May 13, 2020	Appointment as chief financial officer
Josef Figueroa	Director and Vice President-ASEAN region of our Subsidiary, Inspira Singapore	October 26, 2020	Appointed as Director and Vice President- ASEAN region of our Subsidiary, Inspira Singapore

Name	Designation	Date of Change	Reason
Vishal Malhotra	President Data Analytic of our Company	November 11, 2020	Appointed as President Data Analytic of our Company
Jay Prakash Sahal	Chief Financial Officer of our Company	November 27, 2020	Cessation as chief financial officer
Pradeep Augustine	Business Head – MEA of Inspira MEA IT Solutions LLC	January 1, 2021	Appointed as Business Head – MEA of Inspira MEA IT Solutions LLC
Raghavendra Jha	Chief Financial Officer of our Company	May 24, 2021	Appointed as Chief Financial Officer of our Company
Syed Yusuf	Business Head of Inspira MEA IT Solutions LLC	March 31, 2021	Cessation as Business Head of Inspira MEA IT Solutions LLC
Sachin Poptani	Head of Legal, Company Secretary and Compliance Officer	August 2, 2021	Appointment as Company Secretary and Compliance Officer

The attrition of the Key Managerial Personnel of our Company is not high compared to the industry.

**Payment or Benefit to officers of our Company (non-salary related)**

No non-salary related amount or benefit has been paid or given since incorporation or intended to be paid or given to any officer of the Company, including our directors and Key Managerial Personnel.

**Employee Stock Option**

For details of our Company’s employee stock option plan, see “*Capital Structure – Employee Stock Option Scheme*” on page 83.

## OUR PROMOTERS AND PROMOTER GROUP

### Promoters

The Promoters of our Company are:

1. Prakash Jain;
2. Chetan Jain;
3. Vishal Jain;
4. Manjula Jain Family Trust; and
5. Prakash Jain Family Trust.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 72,522,744 Equity Shares in aggregate, representing 99.99% of the issued, subscribed and paid-up Equity Share capital of our Company. For details, please see the section titled “*Capital Structure – Build-up of the Promoters’ shareholding in our Company*” beginning on page 79.

**Details of our Promoters are as follows:**

#### Individual Promoters:



**Prakash Jain**, aged 70 years, is one of our Promoters, and is also the Executive Director and Chairman of our Company. As at the date of this Draft Red Herring Prospectus, Prakash Jain holds 18,855,888 Equity Shares, representing 26.00% of the issued, subscribed and paid-up Equity Share capital of our Company.

**Date of Birth:** February 11, 1951

**Address:** Plot-26, Manjul Villa, Vitthal Nagar, 10<sup>th</sup> Road, JVPD Scheme, Juhu, Mumbai, Maharashtra – 400 049

**Permanent Account Number:** AGNPJ6672N

**Aadhar Card Number:** 219425630595

**Driving License:** NA

For the complete profile of Prakash Jain, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “*Our Management – Board of Directors*” on page 186.



**Chetan Jain**, aged 44 years, is one of our Promoters, and is also the Managing Director of our Company. As at the date of this Draft Red Herring Prospectus, Chetan Jain holds 600,000 Equity Shares, representing 0.83% of the issued, subscribed and paid-up Equity Share capital of our Company.

**Date of Birth:** February 21, 1977

**Address:** Plot No. 26 Manjul Villa, Vitthal Nagar CHS 10<sup>th</sup>/12<sup>th</sup> Cross Road, JVPD Juhu Mumbai, Maharashtra - 400 049

**Permanent Account Number:** AFRPJ9862M

**Aadhar Card Number:** 288966992661

**Driving License:** MH02 20080234103

For the complete profile of Chetan Jain, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “*Our Management – Board of Directors*” on page 186.



**Vishal Jain**, aged 37 years, is one of our Promoters, and is also the Joint Managing Director of our Company. As at the date of this Draft Red Herring Prospectus, Vishal Jain does not hold any Equity Shares of our Company.

**Date of Birth:** March 15, 1984

**Address:** Plot-26, Manjul Villa, Vitthal Nagar, 10<sup>th</sup> Road, JVPD Scheme, Juhu, Mumbai, Maharashtra- 400049

**Permanent Account Number:** AIRPJ3046Q

**Aadhar Card Number:** 319380361804

**Driving License:** MH02 20022010646

For the complete profile of Vishal Jain, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “*Our Management – Board of Directors*” on page 186.

Our Company confirms that the permanent account number, bank account number and passport number of Prakash Jain, Chetan Jain, and Vishal Jain will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

#### Promoter Trusts:

#### **Manjula Jain Family Trust (through its trustee, Prakash Jain)**

##### *Trust Information and history*

Manjula Jain Family Trust was settled as a private family trust pursuant to a deed of settlement dated June 20, 2019, as amended pursuant to an amendment dated July 23, 2021 (“**MJ Trust Deed**”) in accordance with the provisions of the Indian Trust Act, 1882. The office of Manjula Jain Family Trust is located at Plot 26, Manjul Villa, 10<sup>th</sup> Road, JVPD Scheme, Juhu, Mumbai – 400 049.

Manjula Jain is the settlor of the Manjula Jain Family Trust. As at the date of this Draft Red Herring Prospectus, Manjula Jain Family Trust (through its trustee, Prakash Jain) holds 13,200,000 Equity Shares, representing 18.20% of the issued, subscribed and paid-up Equity Share capital of our Company.

##### *Trustee of the Manjula Jain Family Trust*

The trustee of Manjula Jain Family Trust, as on the date of this Draft Red Herring Prospectus is Prakash Jain (“**Trustees**”). The trust fund is controlled and managed by the Trustee.

##### *Beneficiaries of Manjula Jain Family Trust*

The primary beneficiaries of Manjula Jain Family Trust are Prakash Jain and the respective spouses of Chetan Jain, Vishal Jain and Jigar Jain i.e. Paridhi Jain, Hemali Jain and Deepa Jain (collectively the “**MJ Trust Beneficiaries**”).

##### *Objects and Function*

The objectives of Manjula Jain Family Trust include, *inter alia*,:

- to provide a suitable succession planning structure of the trust fund among the MJ Trust Beneficiaries;
- to provide for different needs and requirements of the MJ Trust Beneficiaries in accordance with the MJ Trust Deed; and
- To ensure that the trust fund is properly managed and administered in accordance with the MJ Trust Deed or applicable law.

#### **Prakash Jain Family Trust (through its trustee, Manjula Jain)**



### *Trust Information and history*

Prakash Jain Family Trust was formed as a private family trust pursuant to a deed of settlement dated June 20, 2019, as amended pursuant to an amendment dated July 23, 2021 (“**PJ Trust Deed**”) in accordance with the provisions of the Indian Trust Act, 1882. The office of Prakash Jain Family Trust is located at Plot 26, Manjul Villa, 10<sup>th</sup> Road, JVPD Scheme, Juhu, Mumbai – 400 049.

Prakash Jain is the settlor of the Prakash Jain Family Trust. As at the date of this Draft Red Herring Prospectus, Prakash Jain Family Trust (through its trustee, Manjula Jain) holds 39,866,856 Equity Shares, representing 54.97% of the issued, subscribed and paid-up Equity Share capital of our Company.

### *Trustee of the Prakash Jain Family Trust*

The trustee of Prakash Jain Family Trust, as on the date of this Draft Red Herring Prospectus is Manjula Jain (“**Trustees**”). The trust fund is controlled and managed by the Trustee.

### *Beneficiaries of Prakash Jain Family Trust*

The primary beneficiaries of Prakash Jain Family Trust are Manjula Jain and the respective spouses of Chetan Jain, Vishal Jain and Jigar Jain i.e. Paridhi Jain, Hemali Jain and Deepa Jain (collectively the “**PJ Trust Beneficiaries**”).

### *Objects and Function*

The objectives of Prakash Jain Family Trust include, *inter alia*,:

- to provide a suitable succession planning structure of the trust fund among the PJ Trust Beneficiaries;
- to provide for different need and requirements of the PJ Trust Beneficiaries in accordance with the PJ Trust Deed; and
- To ensure that the trust fund is properly managed and administered in accordance with the PJ Trust Deed or applicable law.

Our Company confirms that the permanent account number and bank account number of the Manjula Jain Family Trust and the Prakash Jain Family Trust will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

### **Change in control of our Company**

Prakash Jain, Chetan Jain and Vishal Jain are the original promoters of our Company. Two of our Promoters which are set up as family trusts Manjula Jain Family Trust and Prakash Jain Family Trust have acquired Equity Shares pursuant to gifts in July 2019 from individual our Promoters and members of our Promoter Group. However, there has been no effective change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus. For further details, please see “*Capital Structure -Build-up of the Promoters’ shareholding in our Company*” on page 79.

### **Other ventures of our Promoters**

Other than as disclosed in this section, “*Our Management – Other Directorships*” on page 186, our Promoters are not involved in any other ventures.

### **Interests of Promoters**

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company and the dividends payable and any other distributions in respect of their respective shareholding in our Company. Further, our individual Promoters are also deemed to be interested to the extent of remuneration payable to them as Directors of our Company. For further details, see “*Capital Structure - Build-up of the Promoters’ shareholding in our Company*” beginning on page 79 and “*Our Management*” beginning on page 186. Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters.

Further, our Promoters, Chetan Jain and Vishal Jain, Jigar Jain, a member of our Promoter Group are also interested in our Company to the extent of unsecured loans granted by them and repayment thereof. For further details, please see “*Summary of the Offer Document - Summary of Related Party Transactions*” on page 27. No sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by such Promoter(s) or by such firm or company, in connection with the promotion or formation of our Company.

#### **Interest in property, land, construction of building and supply of machinery**

None of our Promoters have any interest in any property acquired by our Company in the preceding five years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building and supply of machinery. However, our Registered and Corporate Office is held by us on a leave and license basis from Realty Finance, one of our Promoter Group companies, in which Prakash Jain and Chetan Jain are directors. For further details see “*Group Companies*” on page 211.

#### **Payment or Benefits to Promoters or Promoter Group**

Except as disclosed herein and as stated in “*Summary of the Offer Document - Summary of Related Party Transactions*” on page 27, other than (i) the remuneration payable to our Promoters in their capacity as Directors of our Company as disclosed in “*Our Management*” on page 186, (ii) repayment of unsecured loans granted by our Promoters, Chetan Jain and Vishal Jain, Jigar Jain, a member of our Promoter Group to our Company, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

#### **Companies or firms with which our Promoters have disassociated in the last three years**

Except as mentioned below, none of our Promoters have disassociated themselves from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus.

<b>Name of Promoter</b>	<b>Name of Company</b>	<b>Date of disassociation</b>	<b>Reason for disassociation</b>
Prakash Jain	Jain International Trade Organisation	September 25, 2020	Resignation from directorship
	Yooil Infrastructure Private Limited	March 22, 2021	Resignation from directorship on account of pre-occupation
	Infiway Landmark Projects Private Limited	March 30, 2021	Resignation from directorship on account of pre-occupation
Chetan Jain	Inspira Services Private Limited	March 16, 2021	Resignation from directorship on account of pre-occupation
	Inspira Analytics Private Limited	March 16, 2021	Resignation from directorship on account of pre-occupation
	Inspira Secure Private Limited	March 16, 2021	Resignation from directorship on account of pre-occupation
Vishal Jain	Infiway Infrastructures Private Limited	March 16, 2021	Resignation from directorship on account of pre-occupation
	Inspira Secure Private Limited	March 16, 2021	Resignation from directorship on account of pre-occupation

#### **Material Guarantees**

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

## Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

### Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our individual Promoters, are as follows:

S. No.	Name of member of our Promoter Group	Relationship with our individual Promoter
<b>Prakash Jain</b>		
1.	Manjula Prakash Jain	Spouse
2.	Bhurmal Jain	Father
3.	Ashok Bhurmal Jain	Brothers
4.	Uttam Bhurmal Jain	
5.	Vimla Sakaria	Sisters
6.	Sushila Jain	
7.	Jigar Prakash Jain	Son
8.	Ashokkumar Keshrimal Sanghavi	Brothers of spouse
9.	Bharat Keshrimal Sanghavi	
10.	Nikesh Keshrimal Sanghavi	
<b>Chetan Jain</b>		
11.	Paridhi Chetan Jain	Spouse
12.	Manjula Prakash Jain	Mother
13.	Jigar Prakash Jain	Brother
14.	Anaya Chetan Jain	Children
15.	Maisha Chetan Jain	
16.	Amit Jain	Father of spouse
17.	Alka Amit Jain	Mother of spouse
18.	Devansh Amit Jain	Brother of spouse
19.	Akriti Vinay Bhartia	Sister of spouse
<b>Vishal Jain</b>		
20.	Hemali Vishal Jain	Spouse
21.	Manjula Prakash Jain	Mother
22.	Jigar Prakash Jain	Brother
23.	Avyaan Vishal Jain	Children
24.	Ruveer Vishal Jain	
25.	Dr. Prakash Pandya	Father of spouse
26.	Rupa Prakash Pandya	Mother of spouse
27.	Pooja Neil Jangla	Sister of spouse

### Entities forming part of the Promoter Group

The companies and trusts forming part of our Promoter Group are as follows:

1. Inspira Services Private Limited
2. Nova Teletech Private Limited
3. Peach Tree Investment Private Limited
4. Inspira IT Products Private Limited
5. Infiway Infrastructures Private Limited
6. Adora Energy Private Limited
7. Infiway Landmark Projects Private Limited
8. Inspira Secure Private Limited
9. Yooil Infrastructure Private Limited
10. Regalia Solutions Private Limited
11. National Telecom of India Limited
12. Technicom Systems (India) Private Limited
13. Curators Den Private Limited

14. SBM Realtors Private Limited
15. Realty Finance & Leasing Private Limited
16. Jain Motor Co Limited
17. Galop Seller Services Private Limited
18. Whoppee Animations Private Limited
19. Pravaas Socioimpact Private Limited
20. Smeransh Foundation
21. Fixling Seller Services Private Limited
22. Inspira Analytics Private Limited
23. Avalon Investment Private Limited
24. Golfscapes India
25. Kamla Avalon Ventures Private Limited
26. Navion Electronics Private Limited
27. Bharat Foam Udyog Private Limited\*

*\*Under liquidation*

The Hindu Undivided Families forming part of our Promoter Group are as follows:

1. Ashok K Sanghavi, HUF
2. Chetan Prakash Jain HUF
3. Jigar Jain HUF
4. Vinay Bhartia HUF
5. Prakash Jain HUF
6. Ashok Kumar Bhurmal Jain HUF
7. Nikesh K Sanghavi HUF

## GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, all such companies with which our Company had related party transactions as per the Restated Consolidated Financial Statements, as covered under the relevant accounting standard (i.e. Ind AS 24) have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Additionally, pursuant to the Materiality Policy, a company shall be considered material and shall be disclosed as a Group Company in this Draft Red Herring Prospectus if: (i) such company is a member of the Promoter Group; and (ii) our Company has entered into one or more transactions with such company during the last completed fiscal year, which individually or cumulatively in value exceeds 5% of the total consolidated revenue of the Company for such fiscal year as per the Restated Consolidated Financial Statements.

The website links to the financial information as required under SEBI ICDR Regulations for the respective top five Group Companies shall be included in the Red Herring Prospectus, as applicable on the date thereof.

Based on the above, our Group Companies are set forth below:

1. Inspira IT Products Private Limited;
2. ITS Planners & Engineers Private Limited;
3. Manorama Infosolutions Private Limited;
4. IRAM Technologies Private Limited;
5. Yooil Infrastructure Private Limited; and
6. Realty Finance & Leasing Private Limited.

### Details of our Group Companies

The details of our Group Companies are provided below.

#### Top 5 Group Companies

##### 1. *Inspira IT Products Private Limited (“Inspira IT Products”)*

###### *Corporate Information*

Inspira IT Products was incorporated in its present name in Mumbai, Maharashtra, as a private limited company under the Companies Act, 1956, on January 17, 2011. The corporate identification number of Inspira IT Products Pvt Ltd is U40109MH2008PTC187215. The registered office of Inspira IT Products Private Limited is situated at 23, Level 2, Kalpataru Square, Kondivita Lane, off. Andheri-Kurla Road, Andheri East, Mumbai 400 059.

###### *Nature of activities*

Inspira IT Products is engaged in the business of IT products.

###### *Financial information*

The financial information derived from the audited standalone financial statements of Inspira IT Products for the last three financial years (i.e. for the Fiscals 2020, 2019, and 2018) are set forth below:

*(₹ in million, except per share data)*

Particulars	For the Fiscals		
	2020	2019	2018
Equity capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserves)	19.50	17.09	10.88

Particulars	For the Fiscals		
	2020	2019	2018
Revenue from operations	52.50	152.75	8.75
Profit/(loss) after tax	2.41	6.21	(1.14)
Earnings / (Loss) per share (Basic)	241.15	621.14	(114.49)
Earnings per share (Diluted)	241.15	621.14	(114.49)
Net asset value	19.60	17.19	10.98

There are no significant notes of the auditors of Inspira IT Products, in relation to the aforementioned financial statements.

## 2. *ITS Planners & Engineers Private Limited (“ITS Planners”)*

### *Corporate Information*

ITS Planners was incorporated in its present name in Hyderabad, Telangana, as a private limited company, under the Companies Act, 1956, on March 8, 2011. The corporate identification number of ITS Planners is U74999TG2011PTC073123. The registered office of ITS Planners is situated at Level 2, Oval Building, iLabs Centre, Madhapur, Hyderabad, Telangana India, 500 081. ITS Planners is also a joint venture of our Company and our Company together with our Subsidiary, Inspira Singapore holds 36.00% of its equity share capital.

### *Nature of activities*

ITS Planners is presently engaged in the business of consultancy services in relation to intelligent traffic solutions, intelligent transport systems technology and transport planning and related civil engineering services, in the business of developing intelligent traffic solutions including hardware, software and civil works relating to traffic signals, urban traffic control systems, traffic monitoring, traffic sensors and systems, traffic data collection, toll technology, adaptive traffic control systems, highway traffic management systems, advanced traffic management systems.

### *Capital Structure*

Below is the capital structure of ITS Planners:

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital	100,000
Issued, subscribed and paid-up share capital	15,625

### *Shareholding Pattern*

The shareholding pattern of ITS Planners as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	No. of equity shares of face value of ₹ 10 each held	Percentage of total capital (%)
1.	Company	2,112	13.51
2.	Rajesh Krishnan Krishnamoorthy	9,315	59.62
3.	Inspira Singapore	3,513	22.48
4.	Purushottam Chandra Kaushik	415	2.66
5.	Gopala Krishnam Raju Nadimpalli	270	1.73
	<b>Total</b>	<b>15,625</b>	<b>100.00</b>

### *Financial information*

The financial information derived from the audited standalone financial statements of ITS Planners for the last three financial years (i.e. for the Fiscals 2021, 2020, and 2019) are set forth below:

(₹ in million, except per share data)

Particulars	For the Fiscals		
	2021	2020	2019
Equity capital	0.16	0.16	0.16
Reserves and surplus (excluding revaluation reserves)	83.54	57.13	36.90
Revenue from operations	159.95	213.55	38.19
Profit/(loss) after tax	26.41	20.23	0.48
Earnings / (Loss) per share (Basic)	1,688.30	1,293.58	41.95
Earnings per share (Diluted)	1,688.30	1,293.58	41.95
Net asset value	83.70	57.29	37.05

There are no significant notes of the auditors of ITS Planners in relation to the aforementioned financial statements.

### 3. *Manorama Infosolutions Private Limited (“Manorama”)*

#### *Corporate Information*

Manorama was incorporated in its present name in Pune, Maharashtra as a private limited company under the Companies Act, 1956, on April 20, 2011. The corporate identification number of Manorama is U72900PN2011PTC139277. The registered office of Manorama is situated at 250/B/1A/12, 5th Floor, DC Plaza, Nagala Park, Kolhapur 416 003. Manorama is also a joint venture of our Company and our Company holds 38% of its equity share capital.

#### *Nature of activities*

Manorama is presently engaged in the business of providing software development services, business process outsourcing services, and IT enabled services to customers across the globe.

#### *Capital Structure*

Below is the capital structure of Manorama:

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,500

#### *Shareholding Pattern*

The shareholding pattern of Manorama as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	No. of equity shares of face value of ₹ 10 each held	Percentage of total capital (%)
1.	Company	3,990	38.00
2.	Ashvini Danigond	5,775	55.00
3.	Vipul Danigond	10	2.00
4.	Nilaya Varma	525	5.00
<b>Total</b>		<b>10,500</b>	<b>100.00</b>

#### *Financial information*

The financial information derived from the audited standalone financial statements of Manorama for the last three financial years (i.e. for the Fiscals 2021, 2020, and 2019) are set forth below:

(₹ in million, except per share data)

Particulars	For the Fiscals		
	2021	2020	2019
Equity capital	0.11	0.11	0.11
Reserves and surplus (excluding revaluation reserves)	86.86	74.67	60.36
Revenue from operations	215.25	155.62	110.37
Profit/(loss) after tax	12.19	14.31	13.83
Earnings / (Loss) per share (Basic)	1,218.81	1,404.60	1,260.55

Particulars	For the Fiscals		
	2021	2020	2019
Earnings per share (Diluted)	1,218.81	1,404.60	1,260.55
Net asset value	86.97	74.78	60.47

There are no significant notes of the auditors of Manorama in relation to the aforementioned financial statements.

#### 4. *IRAM Technologies Private Limited (“IRAM Technologies”)*

##### *Corporate Information*

IRAM Technologies was incorporated in its present name in Bangalore, Karnataka as a private limited company under the Companies Act, 1956, on February 10, 2009. The corporate identification number of IRAM Technologies is U72200KA2009PTC049099. The registered office of IRAM Technologies is situated at No. 779/1G2, 2nd floor, Commercial Space, Sarjapur Road, Kaikondrahalli, Bengaluru-560 035. IRAM Technologies is also a joint venture of our Company and our Company holds 30% of its equity share capital.

##### *Nature of activities*

IRAM Technologies is presently engaged in the business of information technology.

##### *Capital Structure*

Below is the capital structure of IRAM Technologies:

Particulars	No. of equity shares of face value of ₹ 1 each
Authorised share capital	2,000,000
Issued, subscribed and paid-up share capital	1,428,600

##### *Shareholding Pattern*

The shareholding pattern of IRAM Technologies as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	No. of equity shares of face value of ₹ 1 each held	Percentage of total capital (%)
1.	G. Bharati	130,000	9.10
2.	Idris T Vasi	116,899	8.18
3.	Sudhakar Kanuri	29,652	2.07
4.	Abuuru Udaybhaskar Rao	201,517	14.11
5.	Vishal Mehra	203,275	14.23
6.	Sarath Kumar Kodali	172,554	12.08
7.	Chunduru Sambasivarao	54,080	3.79
8.	Divi Venkata Satyanarayan	92,023	6.44
9.	Company	428,600	30.00
	<b>Total</b>	<b>1,273,300</b>	<b>100.00</b>

##### *Financial information*

The financial information derived from the audited standalone financial statements of IRAM Technologies for the last three financial years (i.e. for the Fiscals 2021, 2020, and 2019) are set forth below:

(₹ in million, except per share data)

Particulars	For the Fiscals		
	2021	2020	2019
Equity capital	1.43	1.43	1.43
Reserves and surplus (excluding revaluation reserves)	53.42	40.13	36.50
Revenue from operations	142.06	83.26	81.60
Profit/(loss) after tax	13.30	3.63	1.00



Particulars	For the Fiscals		
	2021	2020	2019
Earnings / (Loss) per share (Basic)	9.43	2.46	0.81
Earnings per share (Diluted)	9.43	2.46	0.81
Net asset value	54.85	41.56	37.93

There are no significant notes of the auditors of IRAM Technologies in relation to the aforementioned financial statements.

#### 5. *Yooil Infrastructure Private Limited (“Yooil Infrastructure”)*

##### *Corporate Information*

Yooil Infrastructure was incorporated in its present name in Mumbai, Maharashtra as a private limited company under the Companies Act, 2013, on April 5, 2018. The corporate identification number of Yooil Infrastructure is U74999MH2018FTC307544. The registered office of Yooil Infrastructure is situated at 1002, Meadows, 10th floor, Sahar Plaza Complex, J B Nagar, A K Road, Andheri East Mumbai 400 059, Maharashtra, India.

##### *Nature of activities*

Yooil Infrastructure is presently engaged in the business of designing, construction, providing, installing at site and commissioning of air inflated rubber dams. It also provides advanced solutions using bituminous geomembrane of patented French technology for irrigation & power canals/waterways, riverbank protection, rehabilitation of old dams, reservoirs, highways / railways for ballast protection, landfills for industrial & domestic waste disposal and tailing basins to handle the waste from mines.

##### *Financial information*

The financial information derived from the audited standalone financial statements of Yooil Infrastructure for the last three financial years (i.e. for the Fiscals 2020, 2019, and 2018) are set forth below:

(₹ in million, except per share data)

Particulars	For the Fiscals		
	2020	2019*	2018*
Equity capital	1.00	1.00	-
Reserves and surplus (excluding revaluation reserves)	(8.43)	0.48	-
Revenue from operations	205.38	66.28	-
Profit/(loss) after tax	(8.90)	0.48	-
Earnings / (Loss) per share (Basic)	(89.05)	4.79	-
Earnings per share (Diluted)	(89.05)	4.79	-
Net asset value	(7.43)	1.48	-

\* Yooil Infrastructure was incorporated on April 5, 2018, accordingly the financial information for Fiscal 2018 is not available and the company's first accounting period consists of the period commencing from April 5, 2018 to March 31, 2019.

There are no significant notes of the auditors of Yooil Infrastructure in relation to the aforementioned financial statements.

#### **Other Group Company**

#### 6. *Realty Finance & Leasing Private Limited (“Realty Finance”)*

##### *Corporate Information*

Realty Finance was incorporated in its present name in Mumbai, Maharashtra, as a private limited company under the Companies Act, 1956, on December 29, 1984. The corporate identification number of Realty Finance is U99999MH1984PTC034934. The registered office of Realty is situated at 23, Level 2, Kalptaru Square, Kondivita Lane, Andheri East Mumbai – 400 059, Maharashtra, India.

##### *Nature of activities*

Realty Finance is presently engaged in the business of finance, investment, hire purchase and lease of movable and immovable property, either at interest or without and upon such terms and conditions either upon the security of any movable/immovable property or without security.

#### **Nature and extent of interest of Group Companies**

##### ***In the promotion of our Company***

None of our Group Companies have any interest in the promotion of our Company.

##### ***In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company***

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company:

##### ***In transactions for acquisition of land, construction of building and supply of machinery, etc.***

Except as disclosed below, none of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery, etc:

Our Registered and Corporate Office is held by us on a leave and license basis from Realty Finance pursuant to agreement dated January 1, 2015, read with any addendums thereto. The security deposit paid by us to Realty Finance is ₹ 1,32,00,000 and the monthly rental under such leave and licenses agreement is ₹ 7,00,000 plus applicable taxes. Please also see, “*Summary of the Offer Document - Summary of Related Party Transactions*” at page 27.

#### **Common pursuits among the Group Companies and our Company**

Except as disclosed in the section titled “*Our Subsidiaries and Joint Ventures*” in respect of certain Group Companies which are also our Joint Ventures, there are no common pursuits amongst our Group Companies and our Company.

#### **Related Business Transactions within our Group Companies and significance on the financial performance of our Company**

Except as disclosed in “*Summary of the Offer Document - Summary of Related Party Transactions*” on page 27, there are no related business transactions with the Group Companies.

#### **Litigation**

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

#### **Business interest of Group Companies**

Except in the ordinary course of business and as stated in “*Summary of the Offer Document - Summary of Related Party Transactions*” on page 27, none of our Group Companies have any business interest in our Company.

#### **Defunct Group Companies**

None of our Group Companies remain defunct and no application has been made to the registrar of companies for striking off the name of any of our Group Companies during the five years preceding the date of this Draft Red Herring Prospectus.

#### **Sick company/winding up/insolvency proceedings**

None of our Group Companies fall under the definition of sick companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985 and no Group Company has been referred to the Board of Industrial

and Financial Reconstruction or the National Company Law Tribunal and none of them are under winding up. Further, there are no pending insolvency proceedings in respect of any Group Company.

### **Loss making Group Companies**

Other than Yooil Infrastructure, details for which as disclosed above, none of our Group Companies have incurred losses in the last audited financial year, as available for the relevant Group Company.

### **Confirmations**

None of our Group Companies have any securities listed on a stock exchange. Further, neither of our Group Companies has made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

Further, neither have any of the securities of our Company or any our Group Companies been refused listing by any stock exchange in India or abroad, nor has our Company or any of our Group Companies failed to meet the listing requirements of any stock exchange in India or abroad.

## DIVIDEND POLICY

As on the date of this Draft Red Herring Prospectus, our Company has adopted a dividend distribution policy (“**Dividend Policy**”) pursuant to a resolution of the Board dated August 2, 2021. The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, in terms of the Dividend Policy and subject to the provisions of the Articles of Association and applicable law, including the Companies Act.

In accordance with the Dividend Policy, the Board shall consider, *inter alia*, the following financial, internal and/or external parameters before declaring dividend: profits of the current year, interim dividend paid, dividend payout trends, funds required towards working capital, servicing of outstanding loans and capital expenditure, funds required for merger/acquisitions and towards execution of the Company’s strategies, investments in subsidiaries/associates, state of the domestic and global economy, capital market conditions and dividend policy of competitors, legislations impacting business or tax, shareholder expectations, etc.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into, to finance our fund requirements for our business activities. For details, see section “*Financial Indebtedness*” on page 363.

Our Company has not paid any dividend on the Equity Shares during the last three Fiscals and for the period starting from April 1, 2021 till the date of this Draft Red Herring Prospectus.

There is no guarantee that any dividends will be declared or paid or the amount thereof will be increased or decreased in the future. For details, see “*Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*” on page 49.

**SECTION VII – FINANCIAL INFORMATION**

**RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

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**Auditors' Examination Report on the Restated Consolidated Summary Statement of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and the related Restated Consolidated Summary Statement of profit and loss (including other comprehensive income), Restated Consolidated Summary Statement of Changes in Equity, Restated Consolidated Summary Statement of Cash Flows and the Restated Consolidated Summary Statement of Significant Accounting Policies and other explanatory information for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 of Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited) and its subsidiaries and joint ventures (collectively, the "Restated Consolidated Summary Statements")**

To  
The Board of Directors  
Inspira Enterprise India Limited  
23, Level 2, Kalpataru Square, Konditva lane,  
Andheri East,  
Mumbai 400059

Dear Sir/Madam,

- 1) We, S.R. Batliboi & Associates LLP ("we", "us" or "SRBA") have examined the attached Restated Consolidated Summary Statements of Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited) (the "Company"), its subsidiaries and its joint-ventures (together referred to as the "Group") as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 annexed to this report and prepared by the Company for the purpose of inclusion in the (i) Draft Red Herring Prospectus proposed to be filed with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges"); in connection with the proposed initial public offer of equity shares of face value of Rs. 5 each of the Company (the "Offering"). The Restated Consolidated Summary Statements, which have been approved by the Board of Directors of the Company at their meeting held on August 13, 2021, have been prepared in accordance with the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");
  - b) Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").

**Management's Responsibility for the Restated Consolidated Summary Statements**

- 2) The preparation of the Restated Consolidated Summary Statements, which are to be included in the Offer Documents is the responsibility of the Management of the Company. The Restated Consolidated Summary Statements have been prepared by the Management of the Company on the basis of preparation stated in paragraph 2 of Annexure V to the Restated Consolidated Summary Statements. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

### **Auditors' Responsibilities**

- 3) We have examined such Restated Consolidated Summary Statements taking into consideration:
  - a) the terms of reference and terms of our engagement agreed with you vide our service scope letter and engagement letter dated July 15, 2021 requesting us to carry out the assignment, in connection with the proposed Offering of the Company;
  - b) the Guidance Note;
  - c) concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Consolidated Summary Statements; and
  - d) the requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Offering.
- 4) The Company proposes to make an initial public offer of equity shares of face value of Rs. 5 each of the Company at such premium arrived at by the book building process (referred to as the 'Offer'), as may be decided by the Company's Board of Directors.

### **Restated Consolidated Summary Statements as per audited Ind AS Consolidated financial statements**

- 5) These Restated Consolidated Summary Statements have been compiled by the management of the Company from:
  - a) audited consolidated financial statements of the Group as at and for the year ended March 31, 2021, which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meetings held on August 2, 2021.
  - b) Audited consolidated financial statements of the Group as at and for the year ended March 31, 2020, which were prepared in accordance with accounting principles generally accepted in India ("Indian GAAP") at the relevant time which have been approved by the Board of Directors at their meeting held on December 31, 2020. The Management of the Company has adjusted financial information for the year ended March 31, 2020 included in such Indian GAAP consolidated financial statements using recognition and measurement principles of Ind AS and has included such adjusted financial information as comparative financial information in the consolidated financial statements for the year ended March 31, 2021 as referred to in para 5(a) above; and
  - c) Audited consolidated financial statements of the Group as at and for the year ended March 31, 2019, which were prepared in accordance with Indian GAAP at the relevant time which have been approved by the Board of Directors at their meeting held on November 13, 2019. The proforma consolidated summary statements for the year ended March 31, 2019 have been prepared by the Management from the audited consolidated financial statements for the year ended March 31, 2019 prepared under Indian GAAP and have been adjusted as described in Note 47 of Annexure VII to the Restated Consolidated Summary Statements.

6) For the purpose of our examination, we have relied on:

- a) the auditors' report issued by us, dated August 2, 2021 on consolidated financial statements as at and for the year ended March 31, 2021 as referred in Paragraph 5 (a) above.
- b) (i) Auditors' report issued by the Group's previous auditor, Lodha & Company (the "Previous Auditor") dated December 31, 2020 and November 13, 2019 on the consolidated financial statements of the Group as at and for the years ended March 31, 2020 and March 31, 2019 respectively, as referred in Paragraph 5(b) and (c) above.

(ii) Examination report on the Restated Consolidated Summary Statement of assets and liabilities as at March 31, 2020 and March 31, 2019 and the restated Consolidated summary statement of profit and loss (including other comprehensive income), restated Consolidated summary statement of cash flows, restated Consolidated summary statement of changes in equity, the restated summary statement of significant accounting policies and other explanatory information for the years ended March 31, 2020 and March 31, 2019 ("Restated Prior Period Consolidated Summary Statements") issued by the Previous auditor. Our examination report insofar as it relates to the said year is based solely on the report submitted by the Previous Auditor.

The Previous Auditor vide their examination report dated August 13, 2021 have also confirmed that the Restated Prior Period Consolidated Summary Statements:

- i) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies as at and for the year ended March 31, 2021;
- ii) do not require any adjustment for modification as there is no modification in the underlying audit reports for the year ended March 31, 2020 and March 31, 2019; and
- iii) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7)

- a) As indicated in our audit report referred in para 6(a) above on consolidated financial statements as at and for the year ended March 31, 2021, we did not audit the financial statements in respect of certain subsidiaries, (as listed in Annexure A), whose share of total assets, total revenues and net cash inflows included in the consolidated financial statements, which have been audited by the auditors of subsidiaries ("Other Auditors") and whose reports have been furnished to us by the Company's management:

Rs. In millions

Particulars	March 31, 2021
No of subsidiaries	6
Total assets	193.84
Total revenue	119.73
Net cash inflows	262.05



We did not audit the financial statements for the year ended March 31, 2021, of certain joint-ventures (listed in Annexure A) which financial statements reflect company's share of net profit included in the consolidated financial statements.

Rs. In millions	
Particulars	March 31, 2021
No of joint ventures	3
Group's share of net profit	18.7

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

The Other auditors as mentioned above, have examined the restated summary statements of the subsidiaries and joint-ventures vide their examination reports referred to in Annexure A and confirmed that these statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

- b) As indicated in our audit report referred in para 6(a) above on consolidated financial statements as at and for the year ended March 31, 2021, the consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of one subsidiary, whose financial statements and other financial information reflect total assets of Rs 0.73 million as at March 31, 2021, and total revenues of Rs Nil and net cash outflows of Rs 6.2 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.
- 8) Based on our examination and according to the information and explanations given to us and as per the reliance placed on the examination report submitted by the Previous Auditor and Other Auditors, we report that Restated Consolidated Summary Statements:
- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019; to reflect the same accounting treatment as per the accounting policies and groupings/classifications as at and for the year ended March 31, 2021.
  - b) does not contain any qualifications requiring adjustments in the audited consolidated financial statements of the Group as at and for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019.
  - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

- 9) We have not audited any financial statements of the Group as of any date or for any period subsequent to March 31, 2021. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as of any date or for any period subsequent to March 31, 2021.
- 10) The Restated Consolidated Summary Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 5 above.
- 11) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditor or the Other Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- 12) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 13) Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI and the Stock Exchanges in connection with the proposed Offering. Our report should not be used, referred to, or distributed for any other purpose.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

per Nilangshu Katriar  
Partner  
Membership No: 58814  
UDIN: 21058814AAAADK7115

Place: Mumbai  
August 13, 2021

## Annexure A

(i) Details of entities not audited by current auditor and name of the other auditors for March 31, 2021:

Name of the entity	Name of the audit firm	Component type
Inspira IT Solutions and Services Pvt Ltd	Lodha & Co.	Subsidiary
Inspira MEA IT Solutions LLC	Shah & Mantri	Subsidiary
Inspira Infotech Africa Ltd	PKF Kenya LLP	Step-down subsidiary
Inspira Enterprise Tech Asia Pte Ltd	Shah & Mantri	Subsidiary
Inspira Enterprise IT solutions LLC	ARC Associates	Subsidiary
Inspira Enterprise INC	Unaudited	Step-down subsidiary
Inspira Tech Philippines Corporation	Jerome Victor S Ballesteros	Step-down subsidiary
Manorama Infosolutions Pvt Ltd	Prity Pachore & Associates	Joint venture
IRAM Technologies Pvt Ltd	Yedida & Associates	Joint venture
ITS Planner and engineers Pvt Ltd	A.K.Sabat & Co.	Joint venture

(ii) Details of entities not examined by current auditor and the restated financial information examined by other auditor:

Name of the entity	Name of the audit firm	Component type	Date of the report
Inspira Mea IT Solutions LLC	Shah & Mantri	Subsidiary	August 2, 2021
Inspira Enterprise Tech Asia Pte Ltd	Shah & Mantri	Subsidiary	August 2, 2021
ITS Planner and engineers Pvt Ltd	A.K.Sabat & Co.	Joint venture	August 4, 2021
Manorama Infosolutions Pvt Ltd	Prity Pachore & Associates	Joint venture	July 12, 2021

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure I**
**Restated Consolidated Summary Statement of Assets and Liabilities**

Particulars	Annexure VII Note	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	6	75.25	80.88	61.43
(b) Capital work in progress	6	4.01	-	-
(c) Goodwill	7	47.61	-	-
(d) Intangible assets	7	10.34	1.12	0.36
(e) Right of use assets	8	39.59	66.06	53.17
(f) Investment in joint ventures	9A	215.30	196.63	182.77
(g) Financial assets				
(i) Investments	9B	30.92	29.58	29.99
(ii) Other financial assets	10	273.77	247.56	173.77
(h) Other non-current assets	11	29.83	13.50	45.38
(i) Deferred tax asset (net)	12	326.26	344.87	237.14
(j) Income tax assets (net)	37	162.49	55.82	55.83
<b>Total non-current assets</b>		<b>1,215.37</b>	<b>1,036.02</b>	<b>839.84</b>
<b>Current assets</b>				
(a) Inventories	13	299.05	282.37	241.26
(b) Financial assets				
(i) Investments	14	-	0.52	6.42
(ii) Trade receivables	15	4,414.52	3,818.68	3,408.44
(iii) Cash and cash equivalents	16	86.11	736.94	15.99
(iv) Other balances with bank	17	297.21	205.20	174.69
(v) Loans	18	-	-	35.10
(vi) Other financial assets	10	24.35	23.72	36.69
(c) Other current asset	19	399.34	357.45	166.11
(d) Current tax assets (net)	37	0.69	0.10	-
<b>Total current assets</b>		<b>5,521.27</b>	<b>5,424.98</b>	<b>4,084.70</b>
<b>Total assets</b>		<b>6,736.64</b>	<b>6,461.00</b>	<b>4,924.54</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	20	60.44	60.44	60.44
(b) Other equity	21	1,082.53	663.60	469.93
<b>Total equity</b>		<b>1,142.97</b>	<b>724.04</b>	<b>530.37</b>
<b>Non-current liabilities</b>				
(a) Contract liabilities	22	569.75	486.27	82.48
(b) Financial liabilities				
(i) Lease liabilities	23	15.37	36.24	22.09
(ii) Other financial liabilities	24	18.31	-	-
(c) Provisions	25	20.62	14.44	12.53
<b>Total non-current liabilities</b>		<b>624.05</b>	<b>536.95</b>	<b>117.10</b>
<b>Current liabilities</b>				
(a) Contract liabilities	22	439.39	565.09	437.34
(b) Financial liabilities				
(i) Borrowings	26	638.13	493.52	290.58
(ii) Lease liabilities	23	25.99	29.59	28.92
(iii) Trade payables	27			
- total outstanding dues of micro enterprises and small enterprises		175.45	172.27	84.84
- total outstanding dues of creditors other than micro enterprises and small enterprises		3,625.65	3,731.98	3,197.15

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure I****Restated Consolidated Summary Statement of Assets and Liabilities**

Particulars	Annexure VII Note	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
(iv) Other financial liabilities	24	10.98	26.44	-
(c) Provisions	25	17.08	12.31	4.78
(d) Current tax liabilities (net)	37	-	38.59	0.59
(e) Other current liabilities	28	36.95	130.22	232.87
<b>Total current liabilities</b>		<b>4,969.63</b>	<b>5,200.01</b>	<b>4,277.07</b>
<b>Total liabilities</b>		<b>5,593.67</b>	<b>5,736.96</b>	<b>4,394.17</b>
<b>Total equity and liabilities</b>		<b>6,736.64</b>	<b>6,461.00</b>	<b>4,924.54</b>

The above Statement should be read with the Annexure V - Significant accounting policies to Consolidated Restated Summary Statements, Annexure VI - Statement of Restatement Adjustments to Audited Consolidated Financial Statements and Annexure VII - Notes to Consolidated Restated Summary Statements.

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

Firm Registration No.101049W/E300004

**For and on behalf of the board of directors of  
Inspira Enterprise India Limited**

per Nilangshu Katriar  
Partner  
Membership No. 58814

Prakash Jain  
Executive Chairman  
DIN No: 00482154

Chetan Jain  
Managing Director  
DIN No: 00183390

Vijay N.Bhatt  
Independent  
Director & Chairman  
of Audit Committee  
DIN No: 00751001

Place: Mumbai  
Date: August 13, 2021

Vishal Jain  
Joint Managing Director  
DIN No: 02991811

Manoj Kanodia  
Chief Executive Officer

Raghavendra Jha  
Chief Financial Officer

Sachin Poptani  
Company Secretary & Compliance Officer  
Membership No.- A12236

Place: Mumbai  
Date: August 13, 2021

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure II**
**Restated Consolidated Summary Statement of Profit and Loss**

Particulars	Annexure VII Note	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019 (Proforma)
<b>Income</b>				
Revenue from contracts with customers	29	8,027.59	7,623.31	6,247.72
Other income	30	111.39	58.04	36.83
<b>Total Income (I)</b>		<b>8,138.98</b>	<b>7,681.35</b>	<b>6,284.55</b>
<b>Expenses</b>				
Cost of material and services consumed				
Purchase of IT products and Solutions		4,707.74	5,081.48	3,645.02
Cost of support services for IT products and solutions		1,706.28	1,256.63	1,268.17
Changes in inventories	31	(16.69)	(41.10)	(44.92)
Employee benefit expenses	32	762.29	495.89	757.44
Depreciation and amortisation expense	33	52.73	46.51	34.65
Impairment losses on financial instruments (Refer note 44)		73.53	81.26	53.11
Finance cost	34	91.17	110.43	66.49
Other expenses	35	291.15	364.11	307.56
<b>Total Expenses (II)</b>		<b>7,668.20</b>	<b>7,395.21</b>	<b>6,087.52</b>
<b>Restated profit before share of profit of joint venture and tax expense (III)= (I-II)</b>		<b>470.78</b>	<b>286.14</b>	<b>197.03</b>
Share of profit of joint venture (Net of income tax) (IV)		18.66	14.18	1.47
<b>Restated profit before tax (V) = (III + IV)</b>		<b>489.44</b>	<b>300.32</b>	<b>198.50</b>
<b>Tax expense/(benefit)</b>				
Current tax		110.38	210.50	149.50
Deferred tax		18.16	(107.26)	6.40
Tax expense relating to earlier years		(0.59)	-	(0.01)
<b>Income tax expense (Refer note 37) (VI)</b>		<b>127.95</b>	<b>103.24</b>	<b>155.89</b>
<b>Restated profit for the year (VII)=(V-VI)</b>		<b>361.49</b>	<b>197.08</b>	<b>42.61</b>
<b>Other comprehensive income/(loss)</b>				
A (i) Items that will not be reclassified to profit and loss account				
Re-measurement gains/ (losses) on defined benefit plans		0.46	(3.56)	(0.54)
(ii) Income tax relating to these items (Refer note 37)		(0.11)	0.88	0.14
B (i) Items that will be reclassified to profit or loss				
Equity Investment measured at FVOCI		1.34	(0.41)	-
Translation differences related to foreign operations		1.66	(1.93)	6.19
(ii) Income tax relating to these items (Refer note 37)		(0.34)	0.10	-
<b>Restated total other comprehensive income/ (loss) for the year, net of tax (VIII)</b>		<b>3.01</b>	<b>(4.92)</b>	<b>5.79</b>
<b>Restated total comprehensive income for the year, net of tax (IX)=(VII+VIII)</b>		<b>364.50</b>	<b>192.16</b>	<b>48.40</b>

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure II****Restated Consolidated Summary Statement of Profit and Loss**

Particulars	Annexure VII Note	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019 (Proforma)
<b><u>Earnings per share (face value of Rs. 5 each- Refer note 51 b,c,d) :</u></b>				
<b>Computed on the basis of restated profit for the year attributable to equity holders of the parent (In Rs.)</b>				
Basic earnings per share	36	<b>4.98</b>	<b>2.72</b>	<b>0.59</b>
Diluted earnings per share	36	<b>4.98</b>	<b>2.72</b>	<b>0.59</b>

The above Statement should be read with the Annexure V - Significant accounting policies to Consolidated Restated Summary Statements, Annexure VI - Statement of Restatement Adjustments to Audited Consolidated Financial Statements and Annexure VII - Notes to Consolidated Restated Summary Statements.

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

Firm Registration No.101049W/E300004

per Nilangshu Katriar  
Partner  
Membership No. 58814

Place: Mumbai  
Date: August 13, 2021

**For and on behalf of the board of directors of  
Inspira Enterprise India Limited**

Prakash Jain  
Executive Chairman  
DIN No: 00482154

Chetan Jain  
Managing Director  
DIN No: 00183390

Vijay N.Bhatt  
Independent Director &  
Chairman of Audit  
Committee  
DIN No: 00751001

Vishal Jain  
Joint Managing Director  
DIN No: 02991811

Manoj Kanodia  
Chief Executive Officer

Raghavendra Jha  
Chief Financial Officer

Sachin Poptani  
Company Secretary & Compliance Officer  
Membership No.- A12236

Place: Mumbai  
Date: August 13, 2021

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure III**
**Restated Consolidated Summary Statement of Changes in Equity**
**a) Equity Share Capital:**

Equity shares of Rs. 10 each issued, subscribed and fully paid

**Balance at 01 April 2018 (Proforma)**

Changes in equity share capital during 2018-19

**Balance at 31 March 2019 (Proforma)**

Changes in equity share capital during 2019-20

**Balance at 31 March 2020**

Changes in equity share capital during 2020-21

**Balance at 31 March 2021**

	Numbers	Amount
<b>Balance at 01 April 2018 (Proforma)</b>	<b>60,43,565</b>	<b>60.44</b>
Changes in equity share capital during 2018-19	-	-
<b>Balance at 31 March 2019 (Proforma)</b>	<b>60,43,565</b>	<b>60.44</b>
Changes in equity share capital during 2019-20	-	-
<b>Balance at 31 March 2020</b>	<b>60,43,565</b>	<b>60.44</b>
Changes in equity share capital during 2020-21	-	-
<b>Balance at 31 March 2021</b>	<b>60,43,565</b>	<b>60.44</b>

**b) Other Equity**

Particulars	Reserves & Surplus			Other comprehensive income (OCI)			Total other equity
	Securities Premium	Equity settled share based payment reserve	Retained earnings	Foreign currency translation reserve	Retained earnings (Remeasurement gain/loss on defined benefit plans)	Equity instruments through OCI	
<b>As at 01 April 2020</b>	<b>216.53</b>	-	<b>444.86</b>	<b>5.61</b>	<b>(3.08)</b>	<b>(0.31)</b>	<b>663.61</b>
Profit for the period	-	-	361.49	-	-	-	361.49
Other comprehensive income/ (losses)	-	-	-	1.66	0.35	1.00	3.01
<b>Total comprehensive income</b>	-	-	<b>361.49</b>	<b>1.66</b>	<b>0.35</b>	<b>1.00</b>	<b>364.50</b>
Share based payments (Refer Note 32 & 38)	-	54.43	-	-	-	-	54.43
<b>As at 31 March 2021</b>	<b>216.53</b>	<b>54.43</b>	<b>806.35</b>	<b>7.27</b>	<b>(2.73)</b>	<b>0.69</b>	<b>1,082.54</b>

Particulars	Reserves & Surplus			Other comprehensive income (OCI)			Total other equity
	Securities Premium	Equity settled share based payment reserve	Retained Earnings	Foreign currency translation reserve	Retained earnings (Remeasurement gain/loss on defined benefit plans)	Equity instruments through OCI	
<b>As at 01 April 2019</b>	<b>216.53</b>	-	<b>247.78</b>	<b>7.54</b>	<b>(0.40)</b>	-	<b>471.45</b>
Profit for the period	-	-	197.08	-	-	-	197.08
Other comprehensive income/ (losses)	-	-	-	(1.93)	(2.68)	(0.31)	(4.92)
<b>Total comprehensive income</b>	-	-	<b>197.08</b>	<b>(1.93)</b>	<b>(2.68)</b>	<b>(0.31)</b>	<b>192.16</b>
Share based payments (Refer Note 32 & 38)	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>216.53</b>	-	<b>444.86</b>	<b>5.61</b>	<b>(3.08)</b>	<b>(0.31)</b>	<b>663.61</b>



**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure III**
**Restated Consolidated Summary Statement of Changes in Equity**

Particulars	Reserves & Surplus			Other comprehensive income (OCI)			Total other equity
	Securities Premium	Equity settled share based payment reserve	Retained Earnings	Foreign currency translation reserve	Retained earnings (Remeasurement gain/loss on defined benefit plans)	Equity instruments through OCI	
<b>As at 01 April 2018 (Proforma)</b>	216.53	-	203.66	1.35	-	-	<b>421.54</b>
Profit for the period	-	-	42.61	-	-	-	42.61
Other comprehensive income/ (losses)	-	-	-	6.19	(0.40)	-	5.79
<b>Total comprehensive income</b>	-	-	<b>42.61</b>	<b>6.19</b>	<b>(0.40)</b>	-	<b>48.40</b>
Share based payments (Refer Note 32 & 38)	-	-	-	-	-	-	-
<b>As at 31 March 2019 (Proforma)</b>	<b>216.53</b>	-	<b>246.27</b>	<b>7.54</b>	<b>(0.40)</b>	-	<b>469.94</b>
Proforma Ind AS adjustments- on account of leases and other adjustments (Refer note (i) below)	-	-	1.51	-	-	-	1.51
<b>As at 01 April 2019</b>	<b>216.53</b>	-	<b>247.78</b>	<b>7.54</b>	<b>(0.40)</b>	-	<b>471.45</b>

**Nature and Purpose of Reserves:**

**Retained earnings:** Includes the transfer of current year's profit and accumulated profit of earlier years transferred to reserves.

**Securities Premium:** Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

**Equity settled share based payment reserve:** The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

**Equity instruments through Other Comprehensive income (OCI):** The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure III**

**Restated Consolidated Summary Statement of Changes in Equity**

**Foreign currency translation reserve:** Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

**Retained earnings (Remeasurement gain/loss on defined benefit plans):** Remeasurement of net defined benefit obligation recognized in other comprehensive income comprises of changes in actuarial gains and losses and any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability.

(i) Impact of cumulative adjustment on application of Ind AS till 31 March 2019 from Proforma Ind AS transition date 1 April 2018 is adjusted to align with the opening balance of each reserve on Ind AS on transition date of 1 April 2019 as per audited consolidated financial statements. This adjustment is as per Guidance Note on Report in Company Prospectus (Revised 2019) issued by ICAI.

The above Statement should be read with the Annexure V - Significant accounting policies to Consolidated Restated Summary Statements, Annexure VI - Statement of Restatement Adjustments to Audited Consolidated Financial Statements and Annexure VII - Notes to Consolidated Restated Summary Statements.

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

Firm Registration No.101049W/E300004

per Nilangshu Katriar  
Partner  
Membership No. 58814

Place: Mumbai  
Date: August 13, 2021

**For and on behalf of the board of directors of  
Inspira Enterprise India Limited**

Prakash Jain  
Executive Chairman  
DIN No: 00482154

Vishal Jain  
Joint Managing Director  
DIN No: 02991811

Raghavendra Jha  
Chief Financial Officer

Place: Mumbai  
Date: August 13, 2021

Chetan Jain  
Managing Director  
DIN No: 00183390

Manoj Kanodia  
Chief Executive Officer

Sachin Poptani  
Company Secretary & Compliance Officer  
Membership No.- A12236

Vijay N.Bhatt  
Independent Director & Chairman  
of Audit Committee  
DIN No: 00751001

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure IV**

**Restated Consolidated Summary Statement of Cash Flows**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019 (Proforma)
<b>Cash flow from operating activities</b>			
<b>Restated net profit before tax</b>	470.78	286.14	197.03
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense (Refer note 33)	52.73	46.51	34.65
Finance cost (Refer note 34)	91.17	110.43	66.49
Interest income (Refer note 30)	(37.20)	(30.54)	(22.28)
Lease concession due to Covid (Refer note 30)	(2.69)	-	-
Dividend income (Refer note 30)	(0.01)	(1.01)	(0.34)
Employee stock option plan compensation expense (Refer note 32)	54.43	-	-
Unrealised exchange (gain)/loss (Refer note 35)	(2.91)	16.27	(0.04)
(Gain)/loss on disposal of property plant and equipment (Refer note 35)	0.98	(0.73)	-
Gain on sale of investments (Refer note 30)	(7.57)	(0.38)	(0.05)
Sundry balances written back (net) (Refer note 30)	(51.71)	(7.14)	(2.08)
Impairment losses on financial instruments	73.53	81.26	53.11
Provision for doubtful advances (Refer note 35)	-	5.10	4.34
Impairment of goodwill on consolidation of a subsidiary (Refer note 35)	-	-	8.41
<b>Operating profit before working capital changes</b>	<b>641.53</b>	<b>505.91</b>	<b>339.24</b>
<b>Working capital adjustments</b>			
(Increase) in Inventories	(16.68)	(41.11)	(49.34)
(Increase) in Trade receivables	(669.36)	(496.60)	(1,400.98)
(Increase)/Decrease in Other financial assets	(25.51)	(59.52)	5.69
(Increase) in Loans and Other assets	(155.11)	(146.89)	(180.15)
Increase/(Decrease) in Trade payable	(51.44)	629.40	1,595.27
Increase/(Decrease) in Contract liabilities	(42.22)	531.54	(113.10)
Increase/(Decrease) in Other financial liabilities	31.10	26.44	-
Increase/(Decrease) in Other liabilities & provisions	(81.87)	(96.76)	102.76
<b>Cash generated from / (Used in) operations</b>	<b>(369.56)</b>	<b>852.41</b>	<b>299.39</b>
Income tax paid	(255.64)	(172.63)	(184.52)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(625.20)</b>	<b>679.78</b>	<b>114.87</b>
<b>Cash flows (used in) investing activities</b>			
Purchase of property, plant and equipment & intangibles (including CWIP and assets acquired in business combination- refer note 48)	(109.21)	(39.63)	(8.79)
Proceeds from of sale of property, plant and equipment	0.77	1.18	-
Purchase of current investments - mutual fund units	(570.01)	(336.51)	(0.22)
Sale of current investments - mutual fund units	578.10	342.83	-
Investment in unquoted equity shares and Joint ventures	-	-	(147.01)
Dividend income	0.01	1.01	0.34
Interest received	40.75	21.61	25.28
<b>Net cash flows from / (used in) investing activities (B)</b>	<b>(59.59)</b>	<b>(9.51)</b>	<b>(130.40)</b>

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure IV****Restated Consolidated Summary Statement of Cash Flows**

<b>Cash flow from Financing activities</b>			
Interest paid	(88.32)	(105.14)	(61.87)
Repayment of interest on lease liabilities	(4.20)	(5.30)	(4.61)
Repayment of principle lease liabilities	(22.70)	(23.62)	(15.56)
Proceeds from borrowings	144.60	202.94	(6.12)
<b>Net cash flows from / (used in) financing activities ( C)</b>	<b>29.38</b>	<b>68.88</b>	<b>(88.16)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(655.41)</b>	<b>739.15</b>	<b>(103.69)</b>
Cash and cash equivalents at the beginning of the year	736.94	15.99	113.46
Add: Translation adjustment in cash and cash equivalents	4.58	(18.20)	6.22
Cash and cash equivalents at the year end (Refer note 16)	<b>86.11</b>	<b>736.94</b>	<b>15.99</b>

The above Statement should be read with the Annexure V - Significant accounting policies to Consolidated Restated Summary Statements, Annexure VI - Statement of Restatement Adjustments to Audited Consolidated Financial Statements and Annexure VII - Notes to Consolidated Restated Summary Statements.

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

Firm Registration No.101049W/E300004

per Nilangshu Katriar  
Partner  
Membership No. 58814

Place: Mumbai  
Date: August 13, 2021

**For and on behalf of the board of directors of****Inspira Enterprise India Limited**

Prakash Jain Executive Chairman DIN No: 00482154	Chetan Jain Managing Director DIN No: 00183390	Vijay N.Bhatt Independent Director & Chairman of Audit Committee DIN No: 00751001
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Vishal Jain Joint Managing Director DIN No: 02991811	Manoj Kanodia Chief Executive Officer
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Raghavendra Jha Chief Financial Officer	Sachin Poptani Company Secretary & Compliance Officer Membership No.- A12236
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Place: Mumbai  
Date: August 13, 2021

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**Notes to Restated Consolidated Summary Statements for the year ended 31 March 2021**  
**(All amount in INR millions, unless otherwise stated)**

**Annexure V**

**1. Corporate information:**

Inspira Enterprise India Limited [formerly known as Inspira Enterprise India Private Limited] (“the Company”) was incorporated on 1 October 2008. The Company is a public company ( w.e.f. 14<sup>th</sup> July 2021), incorporated under the provisions of the Companies Act applicable in India, having its registered office at 23, Kalpataru Square, Kondivita Lane, Off. Andheri Kurla Road, Andheri (East), Mumbai – 400 059.

Prakash Jain Family Trust is the ultimate holding and the controlling entity of the Company which holds 54.97% of the Company’s equity share capital (w.e.f. 1 July 2019).

The Restated Consolidated Summary Statements comprise the financial statements of Inspira Enterprise India Limited (“the Company”), its subsidiaries (collectively “the Group”) and its joint ventures as at and for the year ended 31 March 2021.

The Group is primarily engaged in the business of value-added digital transformation solutions in the Cyber security, Analytics, Block chain, Big data and Cloud domain as well as in system integration of IT products and related services.

The Restated Consolidated Summary Statements for the year ended 31 March 2021 were approved by the Board of Directors and authorized for issue on August 13, 2021.

**2. Basis of preparation of Restated Consolidated Summary Statements:**

**a. Basis of preparation:**

The Restated Consolidated Summary Statements of the Group comprise of the Restated Consolidated Summary Statements of Assets and Liabilities of the Group as at March 31, 2021, March 31, 2020 and March 31, 2019 (Proforma), the related Restated Consolidated Summary Statements of Profit & Loss, the Restated Consolidated Summary Statements of Changes in Equity, the Restated Consolidated Summary Statements of Cash Flows for each year ended March 31, 2021, March 31, 2020, and March 31, 2019 (Proforma) and the Summary of significant accounting policies and explanatory notes (hereinafter collectively referred to as “Restated Consolidated Summary Statements” or “Statements”). These Statements have been prepared specifically for inclusion in the Draft Red Herring Prospectus (“DRHP”) to be filed by the Group with the Securities and Exchange Board of India (“SEBI”) in connection with proposed Initial Public Offering (“IPO”) through Offer for sale of equity shares held by the selling shareholders and fresh issue of its equity shares, in accordance with the requirements of:

- a) Sub-section (1) of Section 26 of Chapter III of the Companies Act 2013 (the “Act”) and
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the SEBI ICDR “Regulations”) issued by the Securities and Exchange Board of India (‘SEBI’) on 11 September 2018 as amended from time to time.

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- c) Guidance Note on Report in company prospectus (Revised 2019) issued by the ICAI (referred to as the Guidance Note).

The Restated Consolidated Summary Statements have been compiled from:

- a. The audited consolidated financial statements as at and for the year ended March 31, 2021 which are prepared by the Group in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended and presentation requirements of Division II of Schedule III to the Companies Act, 2013, which have been approved by the Board of Directors at their meeting held on August 13, 2021.
- b. The audited consolidated financial statements as at and for the year ended March 31, 2020 which were prepared in accordance with accounting principles generally accepted in India (“Indian GAAP”) at the relevant time which have been approved by the Board of Directors at their meeting held on December 31, 2020. The Management of the Group has adjusted the financial information for the year ended March 31, 2020 included in such Indian GAAP consolidated financial statements using recognition and measurement principles of Ind AS and has included such adjusted financial information as comparative financial information in the consolidated financial statements for the year ended March 31, 2021.
- c. The audited consolidated financial statements as at and for the year ended March 31, 2019, which were prepared in accordance with accounting principles generally accepted in India (“Indian GAAP”) at the relevant time which have been approved by the Board of Directors at their meeting held on November 13, 2019. The proforma consolidated summary statements for the year ended March 31, 2019 have been prepared by the Management from the audited consolidated financial statements for the year ended March 31, 2019 prepared under Indian GAAP and have been adjusted in Note 47 to the Restated Consolidated Summary Statements to make them compliant with recognition and measurement under Ind AS.

The consolidated financial statements for the year ended March 31, 2021 are the first consolidated financial statements that the Group has prepared in accordance with Ind AS. The date of transition is April 1, 2019. The transition to Ind AS has been carried out from accounting standards notified under section 133 of the Companies Act, 2013 read together with the Companies (Accounting Standards) Amendment Rules, 2006 (as amended from time to time) (“Indian GAAP”), which is considered as the previous GAAP, for purposes of Ind AS 101. Refer Note 47 to Restated Consolidated Summary Statements for detailed information on how the Group transitioned to Ind AS.

The proforma consolidated financial statements of the Group as at and for the year ended March 31, 2019, is prepared in accordance with the requirements of SEBI circular and the Guidance Note. For the purpose of proforma FS for the year ended March 31, 2019, the Group has followed the same accounting policy and accounting policy choices (as per Ind AS 101- mandatory exception and

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optional exemptions) as initially adopted on transition date April 1, 2019. Accordingly, suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads are made to the proforma consolidated financial statements for the year ended March 31, 2019.

The difference between equity balance computed under proforma consolidated financial statements for the year ended March 31, 2019 (i.e, equity under Indian GAAP adjusted for impact of Ind AS 101 items and after considering profit or loss for the year ended March 31, 2019, with adjusted impact due to Ind AS principles applied on proforma basis) and equity balance computed in opening Ind AS Balance Sheet as at transition date (April 1, 2019), prepared for filing under the Companies Act, 2013 has been adjusted as a part of the restated adjustments and carried forward to opening Ind AS Balance Sheet as at transition date i.e. 1 April 2018 already adopted for reporting under Companies Act, 2013.

This note provides a list of the significant accounting policies adopted in the preparation of the Restated Consolidated Summary Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Restated Consolidated Summary Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Share based payments
- Deferred and contingent consideration payable for business combination

The Restated Consolidated Summary Statements are presented in Indian Rupees "INR" and all values are stated as INR million, except when otherwise indicated.

**b. Basis of consolidation**

The Restated Consolidated Summary Statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of

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an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated Summary Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated Summary Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Summary Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Restated Consolidated Summary Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Restated Consolidated Summary Statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Summary Statements. Ind AS 12 *Income Taxes* applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.



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Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

**3. Summary of significant accounting policies:**

**a. Current versus non-current classification: -**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realized in normal operating cycle or within twelve months after the reporting period or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

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The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified period of twelve months as its operating cycle.

**b. Investment in Joint Ventures: -**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether joint control is similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is

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impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the statement of profit and loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

**c. Property, Plant and Equipment: -**

Property, Plant & Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including import duties and other non-refundable taxes and levies, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts, rebates and decommissioning provisions (if any) are deducted in arriving at the purchase price.

If significant parts of an item of property, plant and equipment have different useful lives, then those are accounted as separate items (major components) of property, plant and equipment.

Cost of Item of property, plant and equipment not ready for intended use as on the balance sheet date, is disclosed as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under Other non- current assets.

Gains or losses arising from derecognition of Property, Plant & Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Subsequent expenditure related to an item of Property, Plant & Equipment is included in asset's carrying amount or recognized as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Group and cost of the item can be measured reliably.

**Depreciation on Property, Plant & Equipment (PPE):**

Depreciation is systematic allocation of depreciable amount of PPE over its useful life and is provided on straight line basis over the useful lives as prescribed in Schedule II to Companies Act, 2013. except in respect of the certain categories of assets, where the life of the assets has been assessed based on internal technical estimate, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset and past history of replacement, anticipated technological changes. The estimated useful lives of assets are as follows:

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Assets	Useful life
Furniture & Fixtures	5 to 10 years
Plant and Machinery	8 years
Vehicles	8 years
Office Equipment	2 to 5 years
Electrical Installations	10 years
Computers	3 to 6 years
Laptops	3 to 6 years

Leasehold improvements are amortized over the period of the lease i.e. 2-5 years

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

As per the Group policy, PPE, having value of less than ₹ 5,000 are fully charged to the statement of profit and loss in the year of acquisition.

### **Transition to Ind AS**

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2019 measured as per the previous GAAP and use that carrying value as its deemed cost.

### **d. Intangible assets: -**

Intangible assets acquired separately are measured on initial recognition at cost. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Amortisation is calculated to expense off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss.

Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

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Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Software expenses include expenditure on licenses for various office applications which are amortised based on useful life. Customer relationships and non-compete are acquired in business combination.

The estimated useful lives for current and comparative periods are as follows:

<b>Assets</b>	<b>Useful life</b>
Software	3 to 5 years
Customer relationships	3 years
Non-compete	5 years

**Transition to Ind AS**

On transition to Ind AS, the Group has elected to continue with the carrying value of all its intangible assets recognized as at 1 April 2019 measured as per the previous GAAP and use that carrying value as its deemed cost.

**e. Impairment of non-financial assets: -**

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash generating units ("CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

**f. Financial Instruments: -**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**i. Financial assets**

**Initial recognition and measurement:**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Financial asset designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

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### ***Financial assets at amortised cost-***

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

### ***Financial Assets at fair value through other comprehensive Income-***

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

### ***Financial Assets designated at fair value through other comprehensive Income (FVOCI)-***

Upon initial recognition, the Group can elect to classify irrevocably its equity instruments as equity instruments designated at FVOCI when they meet definition of equity under Ind AS 32 and are not held for trading.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

### ***Financial assets at fair value through profit or loss-***

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit and loss. This category includes derivative instruments.

Financial assets are not reclassified subsequent to their initial measurement, except if and in period the Group changes its business model for managing financial assets.

### ***Derecognition***

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in statement of profit and loss if such gain or loss would have otherwise been recognized in statement of profit and loss on disposal of that financial asset.

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**Impairment of financial assets:**

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are measured at amortized cost e. g. loans, deposits and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Trade receivables are written off when there is no reasonable expectation of recovery.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

**ii. Financial liabilities**

**Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value.

**Subsequent measurement:**

For purpose of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial cost liabilities at amortised

***Financial liabilities at fair value through profit or loss:***

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss. The Group has not designated any financial liability as at fair value through profit or loss except for derivative liabilities.

***Financial liabilities at amortized cost:***

Financial liabilities are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.



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The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### **Reclassification of financial assets**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

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Original classification	Revised classification	Accounting treatment
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss the reclassification date.

**iii. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**g. Fair value measurement: -**

The Group measures financial instruments such as investment in unquoted equity shares, mutual fund at fair value.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability - or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Summary Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Restated Consolidated Summary Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes to Restated Consolidated Summary Statements.

**h. Revenue recognition**

The Group derives revenues primarily from delivery of value-added digital transformation solutions in the Security, Analytics, Block chain, Big Data and Cloud domain as well as in system integration of IT products and related services.

Upon first time adoption, the Group recognised revenue on date of transition, using the cumulative catch-up transition method, i.e. it applied Ind AS 115 to contracts that were not completed as at 1 April 2018.

Revenue from contract with customer is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration that is expected to receive in exchange for those products or services. The Group presents revenues net of indirect taxes in its statement of Profit and loss. The Group has concluded that it is generally the principal in its revenue arrangements.

**(i) Supply, Installation, Testing and Commissioning (SITC):**

In such arrangement, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, revenue is

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recognized over the period as per the percentage-of completion method (POCM). When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. POCM is determined based on project cost incurred to date as a percentage of total estimated project cost required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is direct relationship between input and productivity. When a cost incurred is not proportionate to the Group's progress in satisfying the performance obligation, in those circumstances, the Group adjusts the performance for the input method to recognise revenue only to the extent of that cost incurred.

The Group generally provides preventive maintenance and support services in SITC contracts. The preventive maintenance and support services are separate performance obligation because the promise to transfer the product and to provide maintenance and support services are capable of being distinct. Accordingly, the transaction price in contract is allocated to different performance obligations based on standalone selling price of each performance obligation. Revenue from preventive maintenance and support services is recognized over the period of preventive maintenance and support.

**(ii) Sale of Hardware or software**

Revenue from sale of hardware is recognized at the point in time when the control of the asset is transferred to the customer.

Revenue from Software/licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the period of access either on straight line basis or on usage basis, depending upon the terms of the arrangement.

The Group considers whether there are other promises in the contract that are separate performance obligations to which portion of transaction price needs to be allocated (e.g. warranty).

The Group accounts for discounts and incentives to customers as a reduction of revenue based on the relatable allocation of the discounts/ incentives to each of the underlying performance obligation.

**(iii) Revenue from services:**

The Group earns revenue from Sale of IT implementation and support services. Revenue from sale of services are recognized over the period when the services are provided.

Revenue on time and material contracts are recognized on input basis as labour hours delivered. Where the Group's efforts or inputs are expended evenly throughout the performance period of services, the Group recognizes revenue on straight line basis.

**(iv) Warranty obligations**

The Group typically provides warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

In certain contracts, a one-year warranty beyond fixing defects that existed at the time of sale. These types of service-type warranties are sold either separately or bundled together with the

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sale of goods. Contracts for bundled sales of goods and a service-type warranty comprise two performance obligations because the goods and service-type warranty are both sold on a stand-alone basis and are distinct within the context of contract. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability. Revenue for service-type warranties is recognised over the period in which the service is provided based on the time elapsed.

**(v) Commission income**

The Group receives commission for referring business to third party i.e. overriding/ referral commission. The overriding/ referral commission for commercial deals is recognized at a point in time.

**(vi) Dividend and Interest Income**

Dividend income is recognized when the right to receive payment is established. Interest income is recognized using the effective interest method.

**(vii) Contract balances**

***Contract asset:***

A contract asset is initially recognized for revenue earned from rendering of services because the receipt of consideration is conditional on successful completion of the services. Upon completion of the service, the amount recognized as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment.

***Trade receivable:***

A receivable is recognized if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

***Contract liabilities:***

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

**i. Retirement and other employment benefits: -**

**(i) Short term employee benefits:**

All short term employee benefits such as salaries, incentives, medical benefits which are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related services which entitles him to avail such benefits are recognized on an undiscounted basis and charged to the statement of profit and loss account.

**(ii) Compensated absences:**

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit and this is shown under current provisions in the Balance Sheet. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability. Since Group has short term accumulated leave balances, the provision is determined as present value of expected payments.

**(iii) Post-employment obligations:**

**a. Defined contribution plans-**

Retirement benefit in the form of Provident Fund and Employee State Insurance Scheme is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the above-mentioned funds. The Group recognizes contribution payable to the above schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**b. Defined benefit plans-**

The Group provides for retirement/post-retirement benefits in the form of gratuity, which is provided for based on actuarial valuation, as at the balance sheet date, made by independent actuaries. Termination benefits are recognized as expense as and when incurred

The Group's liability towards this benefit is determined on the basis of actuarial valuation using projected unit credit method as at the balance sheet date.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurement is not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

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- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

### j. Income taxes

Tax expense comprises current and deferred tax.

#### **Current income tax:**

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### **Deferred tax:**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority, or on different tax

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entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**Goods and Services Tax (GST) paid on acquisition of assets or on incurring expenses:**

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**k. Provisions:**

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Restated Consolidated Summary Statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**Warranty provisions**

The Group provides warranties for general repairs of defects that existed at the time of sale. Provisions related to these assurance-type warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

**Onerous contracts**

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling



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a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

**I. Leases:**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Group as a Lessee:**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right of Use assets:**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance sheet immediately before 1 April 2018.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (e) Impairment of non-financial assets.

**Lease Liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

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### **Short term leases and leases of low value assets**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### **Rent concessions**

The Group has opted for the practical expedient under Ind AS 116 on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic and thereby does not elect the Covid-19 related rent concession from a lessor as a lease modification. The Group accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

### **Transition to Ind AS**

Upon first time adoption to Ind AS, the Group has adopted the modified retrospective method by recognising the lease liability on the initial application (April 1, 2019) at the present value of remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition. The Right of Use Asset has been recognised at the same value at which lease liability has been recognised.

### **m. Share based Payments**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for options that do not ultimately vest because non-market performance and/or service conditions have not been met. Where options include a market or

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non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**n. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**o. Contingent Liabilities and contingent assets: -**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the Restated Consolidated Summary Statements.

Contingent assets are neither recognised nor disclosed in the Restated Consolidated Summary Statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

**p. Earnings per share: -**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**q. Segment reporting: -**

Based on “Management Approach” as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Group’s performance and allocates the resources based on an analysis of various performance indicators by business segments.

Refer Note 42 for detailed segment presentation.

**r. Foreign currencies: -**

The Group’s Restated Consolidated Summary Statements are presented in INR, which is also the parent company’s functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Group’s entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity’s net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in

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fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

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On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS, are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

**s. Borrowing costs: -**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**t. Inventories: -**

Inventory is carried at the lower of cost or net realizable value.

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The net realizable value is determined with reference to selling price of goods less the estimated cost necessary to make the sale. In determining the cost, the weighted average cost of method is used.

**u. Business combination: -**

Non common control business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration

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is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

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**Transition to Ind AS**

On transition to Ind AS, the Group has availed of the option to not restate its past business combination and has elected to continue the previous GAAP carrying amounts of assets acquired and liabilities assumed to be their deemed cost on the date of transition.

**4. Standards issued but not yet effective:**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Companies (Indian Accounting Standards) Amendment Rules, 2021

On 18 June 2021, MCA issued Companies (Indian Accounting Standards) Amendment Rules, 2021 (Amendments). The amendments are applicable from accounting period starting April 1, 2021. Key changes prescribed in amendments are :

- The amendments to Ind AS 109  
The amendments include a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. The amendments also provided additional temporary relief with respect to lease accounting.
- Covid-19-Related Rent Concessions – Amendment to Ind AS 116  
COVID-19 related rent concessions: Practical expedient for lease concession is extended for the lease payments originally due on or before the 30th June, 2022
- New conceptual framework  
In place of word “**framework**” the words “Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework)” are substituted in Ind AS 1 - Presentation of Financial Statements. Consequent amendments are made under following standards:
  - Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
  - Ind AS 34 - Interim Financial Reporting
  - Amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS:
    - Ind AS 102- Share Based Payments (amended the footnote to the definition of an equity instrument)
    - Ind AS 106 - Exploration for and Evaluation of Mineral Resources (For recognition assets arising from development, conceptual framework also needs to be referred instead of earlier framework)
    - Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets (footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework)
    - Ind AS 38 - Intangible Assets (footnote to be added for definition of assets i.e. definition of asset is not revised on account of revision of definition in conceptual framework)

The amendments are not expected to have a material impact on the Group.



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**5. Significant accounting judgements, estimates and assumptions**

The preparation of Restated Consolidated Summary Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an explanation of each below.

The discussion below should also be read in conjunction with the Group's disclosure of significant accounting policies which are provided in Note 3 to the Restated Consolidated Summary Statements, 'Significant accounting policies'.

The areas involving critical estimates or judgments are:

- Determination of performance obligation and standalone selling prices  
The Group applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and is distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Group allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Group is unable to determine the stand-alone selling price the Group uses expected cost-plus margin approach in estimating the stand-alone selling price. ( Refer note 29 for revenue from contract with customer)
- Cost to complete  
The Group's Management estimates the costs to complete for each project for the purpose of revenue recognition and recognition of anticipated losses on projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. The Group's Management is of the opinion that the costs to complete the project are fairly estimated. ( Refer note 29 for revenue from contract with customer)
- Percentage of completion  
Management's estimate of the percentage of completion on each SITC project for the purpose of revenue recognition is through conducting analysis of actual quantity of the installation work for each activity performed during the reporting period and estimate any future costs for comparison against the initial project budget. This process requires monitoring of financial and operational controls. Management has established an internal certification of percentage of completion by business team based on analysis of installation effort by them. Management is of the opinion that the percentage of completion of the projects is fairly estimated.

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As required by Ind AS 115 in applying the percentage of completion on its long-term projects, the Group is required to recognize any anticipated losses on its contracts. In light of the above, Management is of the opinion that based on the current facts, there are no future losses on contracts, hence no provision is required on any of the reporting dates. ( Refer note 29 for revenue from contract with customer)

- Warranty provision

The Group gives warranties for its products, undertaking to repair or replace the product that fail to perform satisfactorily during the warranty period. Provision made at the year-end represents the amount of expected cost of meeting such obligations of rectification / replacement which is based on the historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims.

- Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which the goodwill is allocated. The value in use calculations require the Group to estimate the future cash flows expected to arise from the cash generating unit and suitable discount rate in order to calculate the present value. Where the actual future cash flows expected to arise are less than expected an impairment loss may arise. ( Refer note 7 Intangible)

- Fair Value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes to Restated Consolidated Summary Statements. ( Refer note 43 Financial instruments – Fair values)

- Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income. ( Refer note 37 Income tax)

- Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. (Refer note 37 Income tax)

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- Provisions and contingent liabilities

The Group exercises judgement in measuring and recognizing provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision. ( Refer note 25 Provisions and note 40 Contingent liabilities and capital commitment)

- Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

- Determining the lease term of contracts with renewal and termination options – The Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised. ( Refer note 46 leases)

- Leases: Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in leases, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available. ( Refer note 46 leases)

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- Estimation of uncertainties relating to the global health pandemic from the Coronavirus disease (COVID-19)

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these Restated Consolidated Summary Statements has used internal and external sources of information including financial forecasts, order books and enquiries and overall assessment of impact of COVID-19 on its customers based on publicly available information. The impact of COVID-19 on the Group's Restated Consolidated Summary Statements may differ from that estimated as at the date of approval of these Restated Consolidated Summary Statements.

- Defined benefit plans (Gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate table. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note no. 39 on Employee benefits.

- Provision for expected credit losses of trade receivables:

The provision is initially based on the Group's historical observed default rates and overdue trend. The Group will calibrate the provision to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the customer segments catered, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. ( Refer note 15 trade receivable)

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- Investment in equity shares of Algonox Technologies Private Limited ('Algonox')

The Company holds 9.73 % (31<sup>st</sup> March 2020: 9.87% and 1<sup>st</sup> April 2019: 11.66%) in Algonox. The Company has one nominee director on the board of Algonox. As per Ind AS 28, the existence of significant influence by entity is usually evidenced when there is representation on the board of directors of investee. However, as per management assessment, in practice, the Company does not have ability to exercise significant influence on Algonox and hence it is not treated as associate. ( Refer note 9 Investments)

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**Annexure VI**

**Part A: Statement of Consolidated Restatement Adjustments to Audited Financial Statements**

**Reconciliation between audited profit and restated profit**

Sr. No	Particulars	Note No.	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019 (Proforma)
A	<b>Profit after tax (as per audited financial statements)</b>		<b>364.50</b>	<b>505.67</b>	<b>221.34</b>
B	Adjustment for conversion from IGAAP to Ind AS / Proforma Ind AS	1	-	(169.74)	(59.04)
C	Material restatement adjustments				
	- Prior period adjustments (Refer note 47)	2	-	(192.13)	(152.21)
	- Deferred tax adjustments on the above		-	48.35	38.31
	<b>Total ( C )</b>		<b>-</b>	<b>(143.78)</b>	<b>(113.90)</b>
D	<b>Restated profit after tax (A+B+C)</b>		<b>364.50</b>	<b>192.16</b>	<b>48.40</b>

**Reconciliation between total audited equity and total restated total equity**

Sr. No	Particulars	Note No.	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)	As at 1 April 2018 (Proforma)
A	<b>Total Equity as per audited financial statements</b>		<b>1,142.97</b>	<b>1,670.04</b>	<b>1,164.99</b>	<b>937.20</b>
B	Adjustment for conversion from IGAAP to Ind AS / Proforma Ind AS	1	-	(740.34)	(572.72)	(507.25)
C	Material restatement adjustments					
	(i) Audit qualifications		-	-	-	-
	(ii) Other material adjustments		-	-	-	-
	(iii) Prior period adjustments (Refer note 47)	2	-	(274.83)	(82.71)	69.51
	Tax pertaining to earlier years		-	-	-	-
	Deferred tax adjustments on the above		-	69.17	20.81	(17.49)
	<b>Total ( C )</b>		<b>-</b>	<b>(205.66)</b>	<b>(61.90)</b>	<b>52.02</b>
D	<b>Total Equity as Restated Summary Statement of Assets and Liabilities (A+B+C)</b>		<b>1,142.97</b>	<b>724.04</b>	<b>530.37</b>	<b>481.97</b>

**Notes:**

**1. Adjustment for conversion from IGAAP to Ind AS**

The audited financial statements of the Group as at and for the year ended March 31, 2020 and March 31, 2019 were prepared in accordance with accounting principles generally accepted in India including the Companies Accounting Standards Rules, 2006 (as amended) specified under Section 133 of the Act, Companies (Accounts) Rules, 2014 (as amended). The same have been converted into Ind AS to conform with the accounting policies generally accepted in India including Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, Read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. For further details, refer Annexure VII Note 47 for Ind AS adjustments of total comprehensive income for year ending March 31, 2020 and March 31, 2019 (Proforma) and for Equity as at March 31, 2020, March 31, 2019 (Proforma) and April 01, 2018 (Proforma).

**2. Prior period adjustments**

Prior period adjustments pertaining to the year ended 31 March 2020, 31 March 2019, 1 April 2018 have now been rectified. For further details, refer Annexure VII Note 47 for Ind AS adjustments of total comprehensive income for year ending March 31, 2020 and March 31, 2019 (Proforma) and for Equity as at March 31, 2020, March 31, 2019 (Proforma) and April 01, 2018 (Proforma).

**Part B: Material Regrouping**

Appropriate regroupings have been made in the Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per Ind AS financial information of the Group for the year ended March 31, 2021 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

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**Annexure VI****Part C: Non Adjusting items**

I. Restated Ind AS Summary Statements does not contain any qualifications requiring adjustments, however, Audit Report for the year ended March 31, 2020 included an emphasis of matter on impact of COVID 19 on operations of the Company.

## II. Other Comments

Other Comments in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Ind AS Summary Statements are as follows:

**As at and for the year ended March 31, 2021**

(a) Annexure to Auditor's report for the financial year ended March 31, 2021

**Clause (vii) (c)**

According to the records of the Company, the dues outstanding of income tax, sales tax, value added tax and other statutory dues on account of any dispute, are as follows:

Nature of the Statute	Nature of the Dues	Forum where dispute is pending	Amount Rs. In Mn	Period to which the amount relates
Income Tax Act, 1961	Income tax	Assistant Commissioner Income Tax	5.71	AY 2015-16, AY 2018-19 and AY 2019-20
Income Tax Act, 1961	Income tax	Commissioner (Appeals)	10.38	AY 2017-18
Central Sales Tax Act, 1956	Sales tax	Deputy Commissioner of Sales Tax	6.9	AY 2011-12 to AY 2016-17
Maharashtra Value Added Tax, 2002	Value added tax	Deputy Commissioner of Sales Tax	13.5	AY 2011-12, AY 2013-14, AY 2014-15 & AY 2016-17

**As at and for the year ended March 31, 2020**

(a) The auditor's report on the financial statements for the year ended March 31, 2020, included the following Emphasis of Matter paragraph, which does not require any adjustment in the Restated Summary Financial Statements:

We draw attention to Note 27(xiv) of the financial statements, which describes the Management's assessment of impact of COVID-19 pandemic on the financial statements of the Company. Our opinion is not modified in respect of this matter.

**Clause (ii)**

Inventory, except goods in transit, has been physically verified by the management at reasonable intervals during the year. The frequency of such verification is reasonable. Inventories lying with the third parties have substantially been confirmed by them. The discrepancies noticed on such verification between physical stocks and the book records were not material and have been dealt with in the books of account. Due to COVID 19 related nationwide lockdown, the Management was not able to perform year end physical verification of inventory.

**Clause (vii) (b)**

According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, customs duty, excise duty, goods and service tax value added tax and other statutory dues which have not been deposited on account of any dispute except the following:

Nature of the Statute	Nature of the Dues	Forum where dispute is pending	Amount Rs. In Mn	Financial year to which it relates
Maharashtra Value Added Tax, 2002	Value added tax	Jt. Commissioner of Sales Tax (Appeals)	9.50	2012-13
Maharashtra Value Added Tax, 2002	Central sales tax	Jt. Commissioner of Sales Tax (Appeals)	1.10	2012-13
Maharashtra Value Added Tax, 2002	Value added tax	Jt. Commissioner of Sales Tax (Appeals)	1.61	2013-14
Maharashtra Value Added Tax, 2002	Central sales tax	Jt. Commissioner of Sales Tax (Appeals)	0.37	2013-14
Maharashtra Value Added Tax, 2002	Central sales tax	Dy. Commissioner of Sales Tax (Appeals)	1.98	2014-15
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	25.75	2016-17

**As at and for the year ended March 31, 2019****Clause (vii) (b)**

According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, customs duty, excise duty, goods and service tax value added tax and other statutory dues which have not been deposited on account of any dispute except the following:

Nature of the Statute	Nature of the Dues	Forum where dispute is pending	Amount Rs. In Mn	Financial year to which it relates
Maharashtra Value Added Tax, 2002	Value added tax	Jt. Commissioner of Sales Tax (Appeals)	9.50	2012-13
Maharashtra Value Added Tax, 2002	Central sales tax	Jt. Commissioner of Sales Tax (Appeals)	1.10	2012-13
Maharashtra Value Added Tax, 2002	Value added tax	Jt. Commissioner of Sales Tax (Appeals)	1.61	2013-14
Maharashtra Value Added Tax, 2002	Central sales tax	Jt. Commissioner of Sales Tax (Appeals)	0.37	2013-14

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6 Property, plant and equipment	Furniture & Fixtures	Plant and Machinery	Vehicles	Office equipments	Electrical Installations	Computers	Leasehold Improvements	Capital work in progress	Total
<b>Cost or deemed cost</b>									
<b>At 01 April 2018 (Proforma)</b>	<b>7.30</b>	<b>0.71</b>	<b>49.04</b>	<b>1.49</b>	<b>1.00</b>	<b>6.83</b>	<b>2.37</b>	-	<b>68.74</b>
Additions	-	-	3.73	0.24	-	4.47	-	-	8.44
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31 March 2019 (Proforma)</b>	<b>7.30</b>	<b>0.71</b>	<b>52.77</b>	<b>1.73</b>	<b>1.00</b>	<b>11.30</b>	<b>2.37</b>	-	<b>77.18</b>
Proforma Ind AS adjustments (Refer note (ii) below)	(2.48)	(0.09)	(8.63)	(0.48)	(0.38)	(3.13)	(0.56)	-	(15.75)
<b>At 01 April 2019</b>	<b>4.82</b>	<b>0.62</b>	<b>44.14</b>	<b>1.25</b>	<b>0.62</b>	<b>8.17</b>	<b>1.81</b>	-	<b>61.43</b>
Additions	2.18	-	-	22.24	-	5.48	8.64	-	38.54
Disposals	-	-	0.54	-	-	-	-	-	0.54
<b>At 31 March 2020</b>	<b>7.00</b>	<b>0.62</b>	<b>43.60</b>	<b>23.49</b>	<b>0.62</b>	<b>13.65</b>	<b>10.45</b>	-	<b>99.43</b>
Additions	0.08	-	1.22	1.13	-	16.50	-	4.01	22.94
Acquired on account of business combination (Refer Note 48)	-	-	-	-	-	0.29	-	-	0.29
Disposals	-	-	3.35	-	-	-	-	-	3.35
<b>At 31 March 2021</b>	<b>7.08</b>	<b>0.62</b>	<b>41.47</b>	<b>24.62</b>	<b>0.62</b>	<b>30.44</b>	<b>10.45</b>	<b>4.01</b>	<b>119.31</b>
<b>Depreciation and impairment</b>									
<b>At 01 April 2018 (Proforma)</b>	-	-	-	-	-	-	-	-	-
Depreciation charge (Refer Note 33)	2.48	0.09	8.63	0.48	0.38	3.13	0.56	-	15.75
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31 March 2019 (Proforma)</b>	<b>2.48</b>	<b>0.09</b>	<b>8.63</b>	<b>0.48</b>	<b>0.38</b>	<b>3.13</b>	<b>0.56</b>	-	<b>15.75</b>
Proforma Ind AS adjustments (Refer note (ii) below)	(2.48)	(0.09)	(8.63)	(0.48)	(0.38)	(3.13)	(0.56)	-	(15.75)
<b>At 01 April 2019</b>	-	-	-	-	-	-	-	-	-
Depreciation charge (Refer Note 33)	2.55	0.09	8.04	2.04	0.38	4.31	1.22	-	18.63
Disposals	-	-	0.08	-	-	-	-	-	0.08
<b>At 31 March 2020</b>	<b>2.55</b>	<b>0.09</b>	<b>7.96</b>	<b>2.04</b>	<b>0.38</b>	<b>4.31</b>	<b>1.22</b>	-	<b>18.55</b>
Depreciation charge (Refer Note 33)	1.53	0.09	7.86	4.77	0.24	6.42	2.20	-	23.11
Disposals	-	-	1.61	-	-	-	-	-	1.61
<b>At 31 March 2021</b>	<b>4.08</b>	<b>0.18</b>	<b>14.21</b>	<b>6.81</b>	<b>0.62</b>	<b>10.73</b>	<b>3.42</b>	-	<b>40.05</b>



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<b>Net Book Value</b>									
<b>At 31 March 2021</b>	<b>3.00</b>	<b>0.44</b>	<b>27.26</b>	<b>17.81</b>	<b>-</b>	<b>19.71</b>	<b>7.03</b>	<b>4.01</b>	<b>79.26</b>
<b>At 31 March 2020</b>	<b>4.45</b>	<b>0.53</b>	<b>35.64</b>	<b>21.45</b>	<b>0.24</b>	<b>9.34</b>	<b>9.23</b>	<b>-</b>	<b>80.88</b>
<b>At 31 March 2019 (Proforma)</b>	<b>4.82</b>	<b>0.62</b>	<b>44.14</b>	<b>1.25</b>	<b>0.62</b>	<b>8.17</b>	<b>1.81</b>	<b>-</b>	<b>61.43</b>
<b>At 1 April 2018 (Proforma)</b>	<b>7.30</b>	<b>0.71</b>	<b>49.04</b>	<b>1.49</b>	<b>1.00</b>	<b>6.83</b>	<b>2.37</b>	<b>-</b>	<b>68.74</b>

	<b>At 31 March 2021</b>	<b>At 31 March 2020</b>	<b>At 31 March 2019 (Proforma)</b>	<b>At 1 April 2018 (Proforma)</b>
Net book value				
Property, plant & equipment	75.25	80.88	61.43	68.74
Capital work in progress (Refer note (i))	4.01	-	-	-

(i) Capital Work-in Progress as at 31 March 2021 comprises expenditure for the leasehold improvements.

(ii) The Group has elected to continue with the carrying value of all Property, plant and equipment as of 1 April 2019 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition. For these property, plant and equipment, deemed cost exemption is availed by the Group as of proforma Ind AS transition date of 1 April 2018 for Proforma Ind AS financial for the year ended 31 March 2019.

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7 Intangible Assets	Goodwill	Intangible assets			Total
		Non Compete	Customer relationships	Software and licences	
<b>Cost or deemed cost</b>					
<b>At 01 April 2018 (Proforma)</b>	<b>8.41</b>	-	-	<b>0.09</b>	<b>0.09</b>
Additions	-	-	-	0.37	0.37
Disposals	-	-	-	-	-
<b>At 31 March 2019 (Proforma)</b>	<b>8.41</b>	-	-	<b>0.46</b>	<b>0.46</b>
Proforma Ind AS adjustments (Refer note (iii) below)	-	-	-	(0.10)	(0.10)
<b>At 1 April 2019</b>	-	-	-	<b>0.36</b>	<b>0.36</b>
Additions	-	-	-	1.00	1.00
Disposals	-	-	-	-	-
<b>At 31 March 2020</b>	-	-	-	<b>1.36</b>	<b>1.36</b>
Additions	-	-	-	2.06	2.06
Acquired on account of business combination (Refer note 48)	47.61	4.10	4.90	-	9.00
Disposals	-	-	-	-	-
<b>At 31 March 2021</b>	<b>47.61</b>	<b>4.10</b>	<b>4.90</b>	<b>3.42</b>	<b>12.42</b>
<b>Amortisation/ Impairment</b>					
<b>At 01 April 2018 (Proforma)</b>	-	-	-	-	-
Amortisation (Refer note 33)	-	-	-	0.10	0.10
Impairment (Refer note (ii) below and note 35)	8.41	-	-	-	-
Disposals	-	-	-	-	-
<b>At 31 March 2019 (Proforma)</b>	<b>8.41</b>	-	-	<b>0.10</b>	<b>0.10</b>
Proforma Ind AS adjustments (Refer note (iii) below)	-	-	-	(0.10)	(0.10)
<b>At 01 April 2019</b>	-	-	-	-	-
Amortisation (Refer note 33)	-	-	-	0.24	<b>0.24</b>
Disposals	-	-	-	-	-
<b>At 31 March 2020</b>	-	-	-	<b>0.24</b>	<b>0.24</b>
Amortisation (Refer note 33)	-	0.32	0.64	0.88	1.84
Disposals	-	-	-	-	-
<b>At 31 March 2021</b>	-	<b>0.32</b>	<b>0.64</b>	<b>1.12</b>	<b>2.08</b>
<b>Net Book Value</b>					
<b>At 31 March 2021</b>	<b>47.61</b>	<b>3.78</b>	<b>4.26</b>	<b>2.30</b>	<b>10.34</b>
<b>At 31 March 2020</b>	-	-	-	<b>1.12</b>	<b>1.12</b>
<b>At 31 March 2019 (Proforma)</b>	-	-	-	<b>0.36</b>	<b>0.36</b>
<b>At 1 April 2018 (Proforma)</b>	<b>8.41</b>	-	-	<b>0.09</b>	<b>0.09</b>

**Notes:**

(i) The goodwill is generated on recent business combination in November 2020 ( Refer note 48). This being first year of acquisition, management has not performed impairment testing. This goodwill pertains to single cash generating unit (CGU) and management believes the recoverable amount of CGU is higher than carrying value of goodwill on reporting date 31 March 2021, hence no impairment is recorded.

(ii) In the FY 2018-19, the Group has written off the goodwill on consolidation of Inspira IT Solutions and Services Private Limited in view of continued losses incurred by the subsidiary and the management do not expect the goodwill to be realised in the foreseeable future.

(iii) The Group has elected to continue with the carrying value of all Intangible assets as of 1 April 2019 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition. For these intangible assets, deemed cost exemption is availed by the Group as of proforma Ind AS transition date of 1 April 2018 for Proforma Ind AS financial for the year ended 31 March 2019.

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<b>8 Right of Use Assets (ROU)</b>	<b>Building</b>	<b>Total</b>
<b>Cost</b>		
<b>Gross Carrying amount</b>		
<b>As on 01 April 2018 (Proforma)</b>	67.07	67.07
Additions	4.90	4.90
Disposals	-	-
<b>At 31 March 2019 (Proforma)</b>	<b>71.97</b>	<b>71.97</b>
Proforma Ind AS adjustments (Refer note (i) below)	(16.54)	(16.54)
<b>At 1 April 2019</b>	<b>55.43</b>	<b>55.43</b>
Additions	38.27	38.27
Disposals	-	-
<b>At 31 March 2020</b>	<b>93.70</b>	<b>93.70</b>
Additions	1.31	1.31
Disposals	-	-
<b>At 31 March 2021</b>	<b>95.01</b>	<b>95.01</b>
<b>Depreciation</b>		
<b>As on 01 April 2018 (Proforma)</b>	-	-
Depreciation (Refer note 33)	18.80	18.80
Disposals	-	-
<b>At 31 March 2019 (Proforma)</b>	<b>18.80</b>	<b>18.80</b>
Proforma Ind AS adjustments (Refer note (i) below)	(18.80)	(18.80)
<b>At 1 April 2019</b>	-	-
Depreciation (Refer note 33)	27.64	27.64
Disposals	-	-
<b>At 31 March 2020</b>	<b>27.64</b>	<b>27.64</b>
Depreciation (Refer note 33)	27.78	27.78
Disposals	-	-
<b>At 31 March 2021</b>	<b>55.42</b>	<b>55.42</b>
<b>Net Book Value</b>		
<b>At 31 March 2021</b>	<b>39.59</b>	<b>39.59</b>
<b>At 31 March 2020</b>	<b>66.06</b>	<b>66.06</b>
<b>At 31 March 2019 (Proforma)</b>	<b>53.17</b>	<b>53.17</b>
<b>At 1 April 2018 (Proforma)</b>	<b>67.07</b>	<b>67.07</b>

(i) Group has adopted Ind AS 116 from 1 April 2019 (Being date of transition to Ind AS) giving approach used for the same. Then for Proforma Ind AS financial for the year ended March 31, 2019, Ind AS is adopted using the same transition approach followed as at 1 April 2018 being proforma Ind AS transition date. Refer note 46 - Leases for further details.

(ii) Charge created against the office premises obtained on lease from Realty finance & leasing Pvt. Ltd- related party pledged with bank against credit facilities / bank guarantees. (Refer note 26).

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	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>9A Investments in joint ventures accounted for using the equity method (fully paid)</b>			
<b>Unquoted equity shares</b>			
4,200 (31 March 2020: 4,200, 31 March 2019: 4,200) Equity shares of Manorama Infosolutions Private Limited of Rs. 10 each	76.18	71.06	65.16
5,725 (31 March 2020: 5,725 & 31 March 2019: 5,725) Equity shares (2,112 held by Inspira Enterprise India Limited & 3,513 held by Inspira Tech Asia Pte. Ltd. for all reporting years) of ITS Planners and Engineers Private Limited of Rs. 10 each	84.67	75.17	67.89
428,600 (31 March 2020: 428,600, 31 March 2019: 428,600) Equity shares of IRAM Technologies Private Limited of Rs. 1 each	54.45	50.40	49.35
Nil (31 March 2020: Nil, 31 March 2019: 24,990) Equity shares of Yooil Infrastructure Private Limited of Rs. 10 each*	-	-	0.37
<b>Total</b>	<b>215.30</b>	<b>196.63</b>	<b>182.77</b>

\* During the FY 19-20, the Group has sold stake in Yooil Infrastructure Pvt. Ltd. on 30 May 2019 and has recognised Loss on sale of investment of Rs. 0.07 Mn as a difference between proceeds from disposal and carrying value of investment on the date of sale.

**9B Non-current investments**

**Unquoted equity shares**

**Investments in equity shares measured at Fair value through Other Comprehensive income (FVTOCI) (fully paid)**

222,150 (31 March 2020: 222,150 & 31 March 2019: 222,150) Equity shares of Algonox Technologies Private Limited of Rs. 10 each**	30.92	29.58	29.99
- Aggregate amount of quoted investments and market value thereof	-	-	-
- Aggregate amount of unquoted investments	246.22	226.21	212.76
- Aggregate amount of impairment in the value of investments	-	-	-

\*\* The unquoted investment is not held for trading, instead it is 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 Group believe this provides a more meaningful presentation for medium and long- term strategic investments , then reflecting changes in fair value immediately in profit or loss.

**10 Other financial Assets**

**(measured at amortised cost)**

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>Non-current</b>			
<b>Unsecured, Considered Good</b>			
Security Deposits			
- Related Party (Refer Note 41)	12.21	11.30	10.46
- Others	6.86	15.03	3.79
Fixed deposits *	254.70	221.23	159.52
	<b>273.77</b>	<b>247.56</b>	<b>173.77</b>

\* Fixed Deposit of Rs. 1.15 Mn ( 31 March 2020: Rs. 0.56 Mn & 31 March 2019: Rs. 0.09 Mn) pledged with Sales Tax Authority and of Rs. 533.73 Mn (31 March 2020: Rs. 204.50 Mn & 31 March 2019: Rs.146.27 Mn) pledged with bank against credit facilities / bank guarantees.(Refer Note 26). The interest range is of 5.5% to 7%. The amount of fixed deposit disclosed in this note includes current and non-current fixed deposits disclosed above and in note 17 below.

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>Current</b>			
Security Deposits	24.18	23.72	35.40
Interest Receivable			
- From related parties- Joint Venture (Refer Note 41)	-	-	1.29
Government grant receivable (Refer note 30)	0.17	-	-
	<b>24.35</b>	<b>23.72</b>	<b>36.69</b>

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**11 Other Non-Current Assets**

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
Advance indirect taxes	2.76	2.76	2.76
Deferred contract cost*	27.07	10.74	42.62
	<b>29.83</b>	<b>13.50</b>	<b>45.38</b>

\*Deferred contract costs are upfront costs which is amortized on a systematic basis, consistent with the transfer of rights of good or services to the customer.

**12 Deferred Tax Asset (net)**

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
Deferred tax asset (net) (Refer note 37)	326.26	344.87	237.14
	<b>326.26</b>	<b>344.87</b>	<b>237.14</b>

**13 Inventories**

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
IT products and solutions	292.65	277.88	212.08
Stores and spares	6.40	4.49	29.18
	<b>299.05</b>	<b>282.37</b>	<b>241.26</b>

**14 Investments**

**Current Investments**

**Investments at fair value through profit or loss (FVTPL)- Unquoted Mutual funds**

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
Nil (31 March 2020: Nil, 31 March 2019: 64,060.280) Units of Aditya Birla Sun Life (Cash Manager) of Rs.100 each.	-	-	6.42
Nil (31 March 2020: 483.703, 31 March 2019: Nil) units of Mirae Asset Cash Management Fund of Rs.1,000 each fully paid up)	-	0.52	-
	<b>-</b>	<b>0.52</b>	<b>6.42</b>
- Aggregate amount of quoted investments and market value thereof	-	-	-
- Aggregate amount of unquoted investments	-	0.52	6.42
- Aggregate amount of impairment in the value of investments	-	-	-

**15 Trade Receivables**

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>Current</b>			
Secured, considered Good	323.03	366.58	712.33
Unsecured, considered Good			
-Related party (Refer Note 41)	102.84	0.00	9.53
-Others	4,286.53	3,697.32	2,856.67
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
<b>Impairment allowance (allowance for bad and doubtful debts)</b>			
Less: Unsecured, considered good	(297.88)	(245.22)	(170.09)
Less: Trade Receivables which have significant increase in credit Risk	-	-	-
Less: Trade Receivables - credit impaired	-	-	-
	<b>4,414.52</b>	<b>3,818.68</b>	<b>3,408.44</b>

The general credit period for trade receivables is 30-90 days and trade receivables are non-interest bearing.

Refer note 41 for terms and conditions of related party.

The appropriateness of the allowance for doubtful trade receivables is subjective due to the high degree of significant judgment applied by management in determining the impairment provision. Above trade receivables pertain to contract with customers as defined under Ind AS 115 on Revenue from contract with customers.

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**The movement in the allowance for impairment in respect of trade receivables during the year was as follows:**

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>Opening balance</b>	245.22	170.09	124.26
Provision for the year	52.66	75.13	45.83
<b>Closing balance</b>	<b>297.88</b>	<b>245.22</b>	<b>170.09</b>

Note: During the year Group has incurred bad debts over and above provisions disclosed above Rs. 20.87 Mn (31 March 2020: Rs. 6.13 Mn, 31 March 2019: Rs. 7.28 Mn).

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>16 Cash and cash equivalents</b>			
Cash on hand	0.64	1.07	1.05
Balances with banks			
- on Current accounts	85.47	735.87	14.94
	<b>86.11</b>	<b>736.94</b>	<b>15.99</b>

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>17 Other Balances with Bank</b>			
Other bank balances			
- Fixed deposit*	297.21	205.20	174.69
	<b>297.21</b>	<b>205.20</b>	<b>174.69</b>

\*Remaining maturity less than 12 months at interest range of 5.5% to 7%. Refer note 10 above for deposits pledged.

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>18 Loans (Unsecured)</b>			
<b>Measured at amortised cost (repayable at demand)</b>			
Loan to joint venture (Refer Note 41)*	-	-	35.10
	<b>-</b>	<b>-</b>	<b>35.10</b>

\*Loans to joint venture is repayable on demand and interest is charged on floating interest rate (MCLR+margin).

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>19 Other Current Assets</b>			
Prepaid Expenses	89.30	22.40	12.61
Duties and Taxes	146.13	53.46	36.85
Deferred contract cost*	137.35	227.98	70.60
Advances to employees	3.15	8.20	0.71
Advances to suppliers / contractors			
- Related party (Refer Note 41)	-	10.10	11.07
- Others	31.51	43.41	37.27
- Less: Provision for doubtful advance**	(8.10)	(8.10)	(3.00)
	<b>399.34</b>	<b>357.45</b>	<b>166.11</b>

\*Deferred contract costs are upfront costs which is amortized on a systematic basis, consistent with the transfer of rights of good or services to the customer.

\*\* The Group has created additional provision for doubtful advances of Rs. 5.10 Mn in FY 2019-20 and there is no incremental provision/reversal during FY 2020-21.

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**Annexure VII****Notes to Restated Summary Statements****20 Share Capital**

	At 31 March 2021		At 31 March 2020		At 31 March 2019 (Proforma)	
	Numbers	Rs.	Numbers	Rs.	Numbers	Rs.
<b>Authorised Share Capital*</b>						
Equity Shares of Rs. 10/- Each	65,00,000	65.00	65,00,000	65.00	65,00,000	65.00
<b>Issued, subscribed and fully paid up</b>						
Equity Shares of Rs. 10/- each	60,43,565	60.44	60,43,565	60.44	60,43,565	60.44
	<b>60,43,565</b>	<b>60.44</b>	<b>60,43,565</b>	<b>60.44</b>	<b>60,43,565</b>	<b>60.44</b>

\*Refer Note 51(b,c,d)- Events after the Balance Sheet date for further details on split of shares and bonus issue.

**A. Reconciliation of the number of shares outstanding at the beginning and at the end of the period:**

	Equity Shares	
	Numbers	Rs.
<b>Authorised Share Capital</b>		
<b>As at 01 April 2018 (Proforma)</b>	65,00,000	65.00
Changes during the year:	-	-
<b>As at 31 March 2019 (Proforma)</b>	<b>65,00,000</b>	<b>65.00</b>
Changes during the year:	-	-
<b>As at 31 March 2020</b>	<b>65,00,000</b>	<b>65.00</b>
Changes during the year:	-	-
<b>As at 31 March 2021</b>	<b>65,00,000</b>	<b>65.00</b>

**Issued, subscribed and fully paid up**

	Equity Shares	
	Numbers	Rs.
<b>Equity Share Capital</b>		
<b>As at 01 April 2018 (Proforma)</b>	60,43,565	60.44
Changes during the year:	-	-
<b>As at 31 March 2019 (Proforma)</b>	<b>60,43,565</b>	<b>60.44</b>
Changes during the year:	-	-
<b>As at 31 March 2020</b>	<b>60,43,565</b>	<b>60.44</b>
Changes during the year:	-	-
<b>As at 31 March 2021</b>	<b>60,43,565</b>	<b>60.44</b>

**B. Details of shareholders holding more than 5% shares in the Company**

	At 31 March 2021		At 31 March 2020		At 31 March 2019 (Proforma)	
	Numbers	% holding in the class	Numbers	% holding in the class	Numbers	% holding in the class
<b>Equity shares of Rs. 10 each, fully paid</b>						
Prakash B. Jain	15,71,327	26.00%	15,71,327	26.00%	48,93,565	80.97%
Manjula P. Jain	-	-	-	-	11,00,000	18.20%
Prakash Jain Family Trust*	33,22,238	54.97%	33,22,238	54.97%	-	-
Manjula Jain Family Trust	11,00,000	18.20%	11,00,000	18.20%	-	-

\*Prakash Jain Family Trust is the ultimate holding and the controlling entity of Inspira Enterprise India Limited holding 54.97% of the Company's equity share capital (w.e.f. 1 July 2019).

**C. Rights and terms attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by them.

**D. Shares reserved for issue under options**

For details of shares reserved for issue under the Share based payment plan of the Company, please refer note 38.

**E. There are no equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting dates.**

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**Annexure VII****Notes to Restated Summary Statements****21 Other Equity**

<b>Particulars</b>	<b>Amount</b>
<b>Retained earnings</b>	
<b>As at 1 April 2018 (Proforma)</b>	203.66
Profit for the year	42.61
Add / (Less): Remeasurement gains on defined benefit plans	(0.41)
<b>At 31 March 2019 (Proforma)</b>	<b>245.86</b>
Proforma Ind AS adjustments (Refer note (i) below)	1.51
<b>At 1 April 2019</b>	<b>247.37</b>
Profit for the year	197.08
Add / (Less): Remeasurement gains on defined benefit plans	(2.68)
<b>At 31 March 2020</b>	<b>441.77</b>
Profit for the year	361.49
Add / (Less): Remeasurement gains on defined benefit plans	0.35
<b>At 31 March 2021</b>	<b>803.61</b>
<b>Securities Premium</b>	
<b>As at 1 April 2018 (Proforma)</b>	216.53
Increase during the year	-
Decrease during the year	-
<b>At 31 March 2019 (Proforma)</b>	<b>216.53</b>
Increase during the year	-
Decrease during the year	-
<b>At 31 March 2020</b>	<b>216.53</b>
Increase during the year	-
Decrease during the year	-
<b>At 31 March 2021</b>	<b>216.53</b>
<b>Equity settled share based payment reserve</b>	
<b>As at 1 April 2018 (Proforma)</b>	
Add: Compensation options granted during the year	-
Less: Exercise of shares options	-
<b>At 31 March 2019 (Proforma)</b>	-
Add: Compensation options granted during the year	-
Less: Exercise of shares options	-
<b>At 31 March 2020</b>	-
Add: Compensation options granted during the year (Refer note 38)	54.43
Less: Exercise of shares options	-
<b>At 31 March 2021</b>	<b>54.43</b>



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**Annexure VII****Notes to Restated Summary Statements****21 Other Equity**

<b>Particulars</b>	<b>Amount</b>
<b>Equity instruments at fair value through OCI</b>	
<b>As at 1 April 2018 (Proforma)</b>	-
Other comprehensive income/ (losses) for the year (net of taxes)	-
<b>At 31 March 2019 (Proforma)</b>	-
Other comprehensive income/ (losses) for the year (net of taxes)	(0.31)
<b>At 31 March 2020</b>	<b>(0.31)</b>
Other comprehensive income/ (losses) for the year (net of taxes)	1.00
<b>At 31 March 2021</b>	<b>0.69</b>
<b>Foreign currency translation reserve through OCI</b>	
<b>As at 1 April 2018 (Proforma)</b>	1.35
Other comprehensive income/ (losses) for the year (net of taxes)	6.19
<b>At 31 March 2019 (Proforma)</b>	<b>7.54</b>
Other comprehensive income/ (losses) for the year (net of taxes)	(1.93)
<b>At 31 March 2020</b>	<b>5.61</b>
Other comprehensive income/ (losses) for the year (net of taxes)	1.66
<b>At 31 March 2021</b>	<b>7.27</b>
<b>Total reserve &amp; surplus</b>	
<b>At 31 March 2019 (Proforma)</b>	<b>469.93</b>
<b>At 31 March 2020</b>	<b>663.60</b>
<b>At 31 March 2021</b>	<b>1,082.53</b>

(i) Impact of cumulative adjustment on application of Ind AS till 31 March 2019 from Proforma Ind AS transition date 1 April 2018 is adjusted to align with the opening balance of each reserve on Ind AS on transition date of 1 April 2019 as per audited consolidated financial statements. This adjustment is as per Guidance Note on Report in Company Prospectus (Revised 2019) issued by ICAI.

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**Annexure VII**
**Notes to Restated Summary Statements**

<b>22 Contract Liabilities</b>	<b>At 31 March 2021</b>	<b>At 31 March 2020</b>	<b>At 31 March 2019 (Proforma)</b>
<b>Non-current</b>			
Unearned Income	569.75	486.27	31.11
Advance from customers	-	-	51.37
	<b>569.75</b>	<b>486.27</b>	<b>82.48</b>
<b>Current</b>			
Unearned Income	416.93	511.08	431.94
Advance from customers	22.46	54.01	5.40
	<b>439.39</b>	<b>565.09</b>	<b>437.34</b>
<b>23 Lease Liabilities</b>	<b>At 31 March 2021</b>	<b>At 31 March 2020</b>	<b>At 31 March 2019 (Proforma)</b>
<b>Non-current</b>			
Lease liabilities (Refer Note 46)	15.37	36.24	22.09
	<b>15.37</b>	<b>36.24</b>	<b>22.09</b>
<b>Current</b>			
Lease liabilities (Refer Note 46)	25.99	29.59	28.92
	<b>25.99</b>	<b>29.59</b>	<b>28.92</b>
<b>Changes in lease liabilities arising from financing activities</b>			
<b>Beginning of the year</b>	<b>65.83</b>	<b>51.01</b>	<b>61.67</b>
Proforma adjustment (Refer note (i) below)	-	0.28	-
<b>Balance as at 1 April 2019</b>	<b>-</b>	<b>51.29</b>	<b>-</b>
Additions (net off remeasurements)	0.92	38.16	4.90
Accretion of interest	4.20	5.30	4.61
Cash outflows	(26.90)	(28.92)	(20.17)
Lease concessions due to Covid (Refer Note 46)	(2.69)	-	-
<b>End of the year</b>	<b>41.36</b>	<b>65.83</b>	<b>51.01</b>
(i) Group has adopted Ind AS 116 from 1 April 2019 (Being date of transition to Ind AS) giving approach used for the same. Then for Proforma Ind AS financial for the year ended March 31, 2019, Ind AS is adopted using the same transition approach followed as at 1 April 2018 being proforma Ind AS transition date. Refer note 46 - Leases for further details.			
<b>24 Other financial liabilities (measured at amortised cost)</b>	<b>At 31 March 2021</b>	<b>At 31 March 2020</b>	<b>At 31 March 2019 (Proforma)</b>
<b>Non-current (measured at FVTPL)</b>			
Contingent purchase consideration payable on business combination (Refer Note 48)	18.31	-	-
	<b>18.31</b>	<b>-</b>	<b>-</b>
<b>Current</b>			
<b>Measured at amortised cost</b>			
Book overdraft	-	26.43	-
Other payables	1.04	0.01	-
<b>Measured at FVTPL</b>			
Deferred purchase consideration payable on business combination (Refer Note 48)	9.94	-	-
	<b>10.98</b>	<b>26.44</b>	<b>-</b>

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**Annexure VII****Notes to Restated Summary Statements****25 Provisions****Non-current**

Provision for gratuity (Refer Note 39)

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
Provision for gratuity (Refer Note 39)	20.62	14.44	12.53
	<b>20.62</b>	<b>14.44</b>	<b>12.53</b>

**Current**

Provision for gratuity (Refer Note 39)

Provision for compensated absence

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
Provision for gratuity (Refer Note 39)	3.23	5.25	0.35
Provision for compensated absence	13.85	7.06	4.43
	<b>17.08</b>	<b>12.31</b>	<b>4.78</b>

**26 Borrowings**

Secured bank loan

-Cash Credit Facilities

Loan from directors and members (Refer Note 41)

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
Secured bank loan			
-Cash Credit Facilities	192.53	193.52	67.16
Loan from directors and members (Refer Note 41)	445.60	300.00	223.42
	<b>638.13</b>	<b>493.52</b>	<b>290.58</b>

**Terms of Borrowings:****A) Secured loan – Cash credit**

Cash credit availed from bank is obtained at floating rate of MCLR plus margin (range 1.5% to 2.95%). It is secured by way of pari-pasu charge on all current assets, present and future, of the Company, fixed deposit as margin money and on specific immovable property (Office premises obtained on lease from related party) and is repayable on demand.

**B) Unsecured loan – Loan from directors and members**

Loan obtained is interest free and repayable on demand.

**Changes in liabilities arising from financing activities****Beginning of the year**

Cash inflows (net)

Cash paid during the year

**End of the year**

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>Beginning of the year</b>	<b>300.00</b>	<b>223.42</b>	<b>100.00</b>
Cash inflows (net)	318.10	603.54	470.00
Cash paid during the year	(172.50)	(526.96)	(346.58)
<b>End of the year</b>	<b>445.60</b>	<b>300.00</b>	<b>223.42</b>

**Covenant compliance:**

The fund and non fund based facilities granted by banks requires compliance with certain debt covenants in the form of maintenance of certain financial ratios. Considering the transition from previous Indian GAAP to Ind AS, the Group for the financial year 2020-21 has not met compliances with such debt covenants. The Group is in process of raising equity to remediate such non compliance and also is in active discussion with the banks to get waiver for the same. Refer note 40 for contingent liability with respect to non fund based facilities availed by the Group as at year end.

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**Annexure VII****Notes to Restated Summary Statements****27 Trade Payables**

	<u>At 31 March 2021</u>	<u>At 31 March 2020</u>	<u>At 31 March 2019 (Proforma)</u>
Total outstanding, dues of micro and small enterprises			
- To Related Party (Refer Note 41)	48.69	-	-
' - To Others	126.76	172.27	84.84
Total outstanding, dues of creditors other than micro and small enterprises			
- To Related Party (Refer Note 41)	81.99	39.64	33.69
' - To Others	3,543.66	3,692.34	3,163.46
	<u><b>3,801.10</b></u>	<u><b>3,904.25</b></u>	<u><b>3,281.99</b></u>

**28 Other current liabilities**

	<u>At 31 March 2021</u>	<u>At 31 March 2020</u>	<u>At 31 March 2019 (Proforma)</u>
Statutory dues payable	36.95	130.22	232.87
	<u><b>36.95</b></u>	<u><b>130.22</b></u>	<u><b>232.87</b></u>

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**Annexure VII**

**Notes to Restated Summary Statements**

**29 Revenue from contracts with customers**

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Sale of IT products and solutions	6,092.73	6,267.50	4,701.30
Sale of IT implementation and support services	1,934.86	1,355.81	1,546.42
	<b>8,027.59</b>	<b>7,623.31</b>	<b>6,247.72</b>

**29 a. Disaggregated revenue information:**

Refer note 42 for geographical revenue disaggregation. In addition the Group maintains revenue by line of business ( LOB) and verticals.

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
<b>i) <u>Line of business</u></b>			
Cyber security	3,545.27	2,132.37	1,644.18
Digital solutions	2,261.92	3,158.58	2,064.32
Integrated enterprise solutions	2,220.40	2,332.36	2,539.22
<b>Total revenue from contract with customers</b>	<b>8,027.59</b>	<b>7,623.31</b>	<b>6,247.72</b>

The Group considers its offerings into three major Line of Business (LOB) that is Cyber Security, Digital Solutions and Integrated Enterprise Solutions. For the purpose of the above identification of the LOB, the Group considers the service offering to the LOB on which it predominantly pertains to (more than 50% of the contract value) and does not split the individual contracts. Contracts not falling or not predominantly pertaining under Cyber Security or Digital Solutions have been categorised as Integrated Enterprise Solutions.

**ii) Verticals**

Banking and financial services and insurance (BFSI)	3,348.07	2,047.69	2,334.77
E- governance services	1,533.65	1,435.23	1,066.57
TMT	1,377.45	2,224.18	2,295.92
Industrials	1,583.55	1,603.02	324.38
Others	184.87	313.19	226.08
<b>Total revenue from contract with customers</b>	<b>8,027.59</b>	<b>7,623.31</b>	<b>6,247.72</b>

**29 b. Contract Balances**

The below table provides information about contract balances of the Group:

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
<b>Particulars</b>			
Trade Receivables (net)	4,414.52	3,818.68	3,408.44
Contract liability	1,009.14	1,051.36	519.82

Trade receivables are non- interest bearing and are generally on terms of 30-90 days . In March 21 Rs. 297.41 Mn ( 31 March 20 Rs. 244.73 Mn, 31 March 2019 (Proforma) Rs. 170.09 Mn) was recognised as provision for expected credit losses on trade receivables.

The contract liabilities primarily includes deferment of revenue margin on uninstalled material and annual maintenance services to be provided in future as on respective reporting dates.

Set out below is the amount of revenue recognised from :

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Amount included in contract liabilities at the beginning of the year	1,051.36	519.82	632.92
Performance obligations satisfied in previous years	565.09	161.19	555.44

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**Annexure VII****Notes to Restated Summary Statements****29 c. Transaction price:**

Contract price is determined as per the terms agreed with the customer. The Group allocates the transaction price to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Group is unable to determine the stand-alone selling price the Group uses expected cost-plus margin approach in estimating the stand-alone selling price.

**29 d. Performance obligation**

Information about the Group's performance obligation is summarised below:

**(i) Supply, Installation, Testing and commissioning (SITC):**

The performance obligation is to provide hardware or/and software along with implementation and installation . The Group generally provides preventive maintenance and support services, such as annual maintenance contract ( AMC). Operations and maintenance contract (O&M), training and other services. Each of the services is a separate performance obligation.

In such contract along with hardware and software, the Group provides 3-5 years of warranty. Warranty till normal period is assurance-based warranty. Extended/service type warranty is considered as separate performance obligation.

**(ii) Supply of hardware and/or software:**

The performance obligation is to provide hardware or/and software. In such contract along with hardware and software, the Group provides 3-5 years of warranty. Warranty till normal period is assurance-based warranty. Extended/service type warranty is considered as separate performance obligation.

**(iii) Sale of services**

The Group generally provides services such as AMC, O&M, security device monitoring , on call services, facility management services etc. Each of the services provided are separate performance obligations.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March are as follows:

	<u>For the year ended</u> <u>31 March 2021</u>	<u>For the year ended</u> <u>31 March 2020</u>	<u>For the year ended</u> <u>31 March 2019</u> <u>(Proforma)</u>
Within a year	363.87	457.90	437.34
More than a year	569.75	486.27	82.31
	<u><b>933.62</b></u>	<u><b>944.17</b></u>	<u><b>519.65</b></u>

The remaining performance obligation expected to be recognised in more than one year relate to sale of services such as AMC, O&M, service type warranty etc which are generally satisfied over 3-5 years. All the remaining performance obligation is expected to be recognised within one year. This includes contracts that can be terminated for convenience without substantive penalty since, based on the current assessment, the occurrence of the same is expected to be remote.

**29 f. Costs to obtain the contract and cost to fulfil**

The Group does not incur material costs to obtain contracts with customers and they are generally expensed as incurred. For details of cost to fulfil/ deferred cost refer note 11 and 19.

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**Annexure VII****Notes to Restated Summary Statements****30 Other income**

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Interest income			
- From bank	35.16	26.00	18.55
- From security deposit	1.34	1.28	1.19
- From loans to joint venture	-	2.38	1.44
- From others	0.70	0.88	1.10
Commission income	11.21	12.15	8.34
Lease concession due to Covid**	2.69	-	-
Dividend income from mutual fund measured at FVTPL	0.01	1.01	0.34
Profit on sale / discard of Items of property, plant & equipment (net)	-	0.73	-
Profit on sale of mutual funds measured at FVTPL	7.57	0.38	0.05
Recovery against bad debts booked in earlier years	-	0.33	-
Sundry balances written back (net)	51.71	7.14	0.15
Provision for doubtful debts /advances written back	-	-	1.30
Refund of Special Additional Duty Written Off Earlier	-	-	0.63
Government grant income*	0.37	-	-
Other non operating income	0.63	5.76	3.74
	<b>111.39</b>	<b>58.04</b>	<b>36.83</b>

\*During the FY 20-21 Group has received grant as per job support scheme (JSS) and job growth incentive scheme (JGI) as support in Covid pandemic in Singapore.

\*\*The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24 July 2020 and 16 June 2021 on IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic.

**31 Changes in inventories**

(Finished goods and spares)

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Opening stock	282.36	241.26	196.34
Closing stock	(299.05)	(282.36)	(241.26)
	<b>(16.69)</b>	<b>(41.10)</b>	<b>(44.92)</b>

**32 Employee Benefit Expense**

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Salaries, wages and bonus	664.56	461.02	723.59
Employee Stock Option Plan compensation expense (Refer Note 38)	54.43	-	-
Contribution to provident fund (Refer Note 39)	17.24	11.15	7.71
Gratuity expense (Refer Note 39)	4.83	7.20	3.44
Staff welfare expenses	21.23	16.52	22.70
	<b>762.29</b>	<b>495.89</b>	<b>757.44</b>

**33 Depreciation and amortisation expense**

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Depreciation on property, plant and equipment	23.11	18.63	15.75
Amortisation on intangible assets	1.84	0.24	0.10
Depreciation on right of use asset	27.78	27.64	18.80
	<b>52.73</b>	<b>46.51</b>	<b>34.65</b>

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**Annexure VII****Notes to Restated Summary Statements****34 Finance Cost**

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Interest expense			
-On borrowings and facilities*	47.59	79.37	35.41
-On delayed payment of statutory dues	-	4.76	5.51
-On lease liabilities	4.20	5.30	4.61
-On deferred consideration on account of business combination (Refer note 48)	0.14	-	-
-On contingent consideration on account of business combination (Refer note 48)	1.21	-	-
Other finance charges	38.03	21.00	20.96
	<b>91.17</b>	<b>110.43</b>	<b>66.49</b>

\* Includes interest on cash credit, MSME, bills of exchange and Letter of credit.

**35 Other expenses**

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Rent and hire charges (Refer note 46)	4.40	6.88	8.17
Repairs & maintenance - others	7.36	4.46	2.85
Telephone charges	7.42	6.19	5.21
Electricity charges	3.15	2.73	2.38
Travelling and conveyance	37.55	99.62	104.53
Auditor remuneration	8.71	2.72	1.81
Bank charges	1.18	-	0.08
Business promotion expenses	1.03	-	0.02
Carriage outward charges	0.30	-	-
Commission and brokerage	-	-	0.04
Insurance	12.19	12.68	5.98
Accounting software fees	25.75	7.99	6.70
Legal and professional fees	83.35	83.20	62.22
Printing and stationery	0.81	2.03	1.56
Courier charges	0.71	1.36	0.42
Rates and taxes	10.75	2.41	2.38
Office expenses	8.93	9.02	6.05
Provision for doubtful advances	-	5.10	4.34
Advertising and other promotion cost	20.37	38.96	23.08
Impairment of goodwill on consolidation	-	-	8.41
Loss on fair valuation of equity shares and mutual funds	-	-	0.01
Freight and handling charges	27.54	20.72	12.47
Foreign currency fluctuations (net)	3.68	17.62	20.59
Loss on sale/ discard of items of property, plant & equipment (net)	0.98	-	-
Corporate social responsibilities expenditure	10.00	22.98	12.66
Loss on sale of Joint venture	-	0.07	-
Miscellaneous expenses	14.99	17.37	15.60
	<b>291.15</b>	<b>364.11</b>	<b>307.56</b>



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**Annexure VII****Notes to Restated Summary Statements****36 Earnings per share (EPS)**

	<b>At 31 March 2021</b>	<b>At 31 March 2020</b>	<b>At 31 March 2019 (Proforma)</b>
Profit attributable to equity holders for basic earnings (Rs. In Mn)	361.49	197.08	42.61
Weighted average number of Equity shares for basic EPS (after considering bonus and split of shares)*	7,25,22,780	7,25,22,780	7,25,22,780
<u>Effect of dilution:</u>			
Employee stock options	4,228	-	-
<b>Weighted average number of Equity shares adjusted for the effect of dilution (after considering bonus and split of shares)*</b>	<b>7,25,27,008</b>	<b>7,25,22,780</b>	<b>7,25,22,780</b>
<b>Earning per equity share (Rs.) attributable to equity holders of the parent :</b>			
Basic Earning per share (Face Value of Rs. 5 each)	4.98	2.72	0.59
Diluted Earning per share (Face Value of Rs. 5 each)	4.98	2.72	0.59

\*Refer Note 51(b,c,d)- Events after the Balance Sheet date for further details on split of shares and bonus issue.

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**Annexure VII**

**Notes to Restated Summary Statements**

**37 Income Taxes**

A. The major components of income tax expense are:

(i) Profit or loss section	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>Current income tax:</b>			
Current income tax charge	110.38	210.50	149.50
Adjustments in respect of current income tax of previous year	(0.59)	-	(0.01)
<b>Deferred tax:</b>			
Relating to origination and reversal of temporary differences	18.16	(107.26)	6.40
<b>Income tax expense/(income) reported in the Statement of Profit and Loss</b>	<b>127.95</b>	<b>103.24</b>	<b>155.89</b>

(ii) OCI section	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
Deferred tax (expense)/income related to items recognised in OCI during the year:	(0.45)	0.98	0.14
<b>Deferred tax charged to OCI</b>	<b>(0.45)</b>	<b>0.98</b>	<b>0.14</b>

B. Reconciliation of deferred tax assets / (liabilities) (net):

	At 31 March 2021	At 31 March 2020	At 31 March 2019 (Proforma)
<b>Opening balance of Deferred Tax Asset</b>	344.87	237.14	243.40
Proforma Ind AS adjustments (Refer note (i) below)	-	(0.51)	-
<b>Balance as at 1 April 2019</b>	-	<b>236.63</b>	-
Tax income/(expense) during the year recognised in profit or loss	(18.16)	107.26	(6.40)
Tax income/(expense) during the year recognised in OCI	(0.45)	0.98	0.14
<b>Closing balance - Deferred tax assets</b>	<b>326.26</b>	<b>344.87</b>	<b>237.14</b>

(i) Impact of deferred tax on application of Ind AS till 31 March 2019 from Proforma Ind AS transition date 1 April 2018 is adjusted to align with the opening balance of deferred tax on Ind AS on transition date of 1 April 2019 as per audited consolidated financial statements. This adjustment is as per Guidance Note on Report in Company Prospectus (Revised 2019) issued by ICAI.

C. Movement in deferred tax assets and liabilities

Particulars	For the year ended 31 March 2021				Net balance 31 March 2021
	Net balance 1 April 2020	Charge/ (Credit)in profit or loss	Recognised in OCI	Recognised in equity	
<b>Deferred Tax Assets</b>					
Property, plant & equipment & Intangible assets	2.53	1.46	-	-	3.99
Provision for Employee Benefits	6.60	2.87	(0.11)	-	9.36
Fair valuation of equity investment at FVOCI	0.10	-	(0.34)	-	(0.24)
Provision for doubtful debts & advances	62.88	-	-	-	62.88
Expenses allowable for tax purposes when paid	8.88	29.75	-	-	38.63
Impact of leases (Ind AS 116)	0.69	0.29	-	-	0.98
Impact of revenue and cost adjustment (Ind AS 115)	258.57	(52.58)	-	-	205.99
Others	4.62	0.05	-	-	4.67
<b>Total</b>	<b>344.87</b>	<b>(18.16)</b>	<b>(0.45)</b>	<b>-</b>	<b>326.26</b>
<b>Net tax assets /(Liabilities)</b>	<b>344.87</b>	<b>(18.16)</b>	<b>(0.45)</b>	<b>-</b>	<b>326.26</b>

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**Annexure VII**
**Notes to Restated Summary Statements**

Particulars	For the year ended 31 March 2020				
	Net balance 1 April 2019	Charge/ (Credit)in profit or loss	Recognised in OCI	Recognised in equity	Net balance 31 March 2020
<b>Deferred Tax Assets</b>					
Property, plant & equipment & Intangible assets	1.80	0.73	-	-	2.53
Provision for Employee Benefits	4.32	1.40	0.88	-	6.60
Fair valuation of equity investment at FVOCI	-	-	0.10	-	0.10
Provision for doubtful debts & advances	42.81	20.07	-	-	62.88
Expenses allowable for tax purposes when paid	12.43	(3.55)	-	-	8.88
Impact of leases (Ind AS 116)	-	0.69	-	-	0.69
Impact of revenue and cost adjustment (Ind AS 115)	173.58	84.99	-	-	258.57
Others	1.69	2.93	-	-	4.62
<b>Total</b>	<b>236.63</b>	<b>107.26</b>	<b>0.98</b>	<b>-</b>	<b>344.87</b>
<b>Net tax assets /(Liabilities)</b>	<b>236.63</b>	<b>107.26</b>	<b>0.98</b>	<b>-</b>	<b>344.87</b>

Particulars	For the year ended 31 March 2019 (Proforma)				
	Net balance 1 April 2018	Charge/ (Credit)in profit or loss	Recognised in OCI	Recognised in equity	Net balance 31 March 2019
<b>Deferred Tax Assets</b>					
Property, plant & equipment & Intangible assets	1.46	0.33	-	-	1.79
Provision for Employee Benefits	4.72	(0.54)	0.14	-	4.32
Provision for doubtful debts & advances	31.40	11.41	-	-	42.81
Expenses allowable for tax purposes when paid	17.39	(4.96)	-	-	12.43
Impact of revenue and cost adjustment (Ind AS 115)	204.24	(30.66)	-	-	173.58
Impact of leases (Ind AS 116)	-	0.50	-	-	0.50
Others	(15.81)	17.52	-	-	1.71
<b>Total</b>	<b>243.40</b>	<b>(6.40)</b>	<b>0.14</b>	<b>-</b>	<b>237.14</b>
<b>Net tax assets /(Liabilities)</b>	<b>243.40</b>	<b>(6.40)</b>	<b>0.14</b>	<b>-</b>	<b>237.14</b>

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**Notes to Restated Summary Statements**

**37 Income Taxes**

**D. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021, 31 March 2020 and 31 March 2019 (Proforma)**

Particulars	For the year ended 31 March 2021	Tax Impact	Tax rate % (Refer note (iii) below)	For the year ended 31 March 2020	Tax Impact	Tax rate % (Refer note (iii) below)	For the year ended 31 March 2019 (Proforma)	Tax Impact	Tax rate %
<b>Profit before tax</b>	<b>489.44</b>			<b>300.32</b>			<b>198.50</b>		
<b>Tax using the India's statutory tax rate</b>		123.18	25.17%		75.59	25.17%		69.36	34.94%
<b>Tax effect of:</b>									
Impact due to change in tax rate	6.52	1.64	0.34%	7.06	1.78	0.59%	3.41	1.19	0.60%
Expenses not deductible for tax purposes	0.47	0.12	0.02%	2.14	0.54	0.18%	5.22	1.82	0.92%
CSR Expense disallowed under Income Tax Act	10.44	2.63	0.54%	1.75	0.44	0.15%	12.66	4.42	2.23%
Allowable deduction u/s 80G	-	-	-	-	-	-	(5.20)	(1.82)	-0.91%
Dividend income	-	-	-	(1.01)	(0.25)	-0.08%	(0.34)	(0.12)	-0.06%
Deferred tax difference due to change in rate of tax	-	-	-	-	-	-	-	74.13	37.34%
Section 40A disallowances	-	-	-	59.45	14.96	4.98%	-	-	-
Deferred tax asset not created on losses	20.32	5.12	1.05%	37.69	9.49	3.16%	19.26	6.73	3.39%
Share of profit of Joint Ventures	(18.66)	(4.70)	-0.96%	(14.11)	(3.55)	-1.18%	(5.89)	(2.06)	-1.04%
Others	(0.16)	(0.04)	-0.01%	16.83	4.24	1.41%	6.40	2.24	1.13%
<b>Tax expense for the year</b>	<b>508.37</b>	<b>127.95</b>	<b>26.15%</b>	<b>410.12</b>	<b>103.24</b>	<b>34.37%</b>	<b>234.02</b>	<b>155.89</b>	<b>78.54%</b>

(i) The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(ii) Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets.

(iii) The Company elected to exercise the lower tax rate regime permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

**E. Income tax asset (net) / Current tax liabilities:**

Income tax asset of Rs. 852.12 Mn (as at 31st March 2020 Rs. 424.02 Mn, as at 31st March 2019 Rs. 423.93 Mn) is net of provision for tax of Rs. 688.94 Mn (as at 31st March 2020 Rs. 368.10 Mn, as at 31st March 2019 Rs. 368.10 Mn).

Current tax liabilities of Rs. Nil (as at 31st March 2020 Rs. 211.14 Mn, as at 31st March 2019 Rs. 0.62 Mn) is net of Advance income tax of Rs. Nil (as at 31st March 2020 Rs. 172.55 Mn, as at 31st March 2019 Rs. 0.03 Mn).

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**Annexure VII****Notes to Restated Summary Statements****38 Share based payments****A Employees Stock Option Plan (ESOP 2021)**

The Group instituted an Employee Stock Option Scheme ("ESOP") for certain employees as approved by the Board of Directors in the meeting held on 29 January, 2021 which provides for a grant of 119,010 options (each option convertible into shares) to employees.

Particulars	31 March 2021
Date of grant	1 February, 2021
Number of options granted	1,19,010
Method of settlement (cash/equity)	Equity shares
Vesting period	For 50,323 options- vesting period is 1 year
Vesting conditions	For 68,687 options- vesting period is 5 years Continued employment and certain performance metrics
Exercise period	Two years from the date of vesting or the date of listing, whichever is later

The details of the activity has been summarised below:

Description	31 March 2021
Outstanding at the beginning of the year	-
Exercisable at the beginning of the year	-
Granted during the year	1,19,010
Forfeited during the year	-
Exercised during the year	-
Vested during the year	-
Expired during the period	-
Transferred during the period	-
Outstanding at the end of the year	1,19,010
Exercisable at the end of the year	-
Weighted average remaining contractual life (in years)	3.15

**Stock options granted**

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	1 February 2021 (On the date of grant)
Weighted average share price/ market price per share (₹ per share)	4,206.25
Exercise price (₹ per share)	10.00
Dividend yield	0%
Expected Life of options granted (vesting and exercise price in years)	3.15
Average risk free interest rate	4.71%
Expected Volatility*	48.56%
Fair value of option per equity share	4,197.61

\*The expected volatility is measured as the standard deviation of the underlying asset's returns. The Group has considered volatility based on the share prices of listed comparable companies over the historical period corresponding to the future remaining life of the options.

**B Effect of employee stock option plan on the Statement of Profit and Loss and Balance Sheet:**

Particulars	31 March 2021
Employee Stock Option Plan compensation expense	54.43
Employee Stock option plan (ESOP) reserve	54.43

**C Critical assumptions:**

1. Nil forfeiture of ESOP options during the vesting period.
2. 100% targets are met during the vesting period for ESOP options granted based on performance (48,081 ESOP options).

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**Annexure VII****Notes to Restated Summary Statements****39 Employee benefits**

The Group has classified various employee benefits as under:

**A. Defined contribution plans**

The Group has recognized the following amounts in the Statement of Profit and Loss for the year:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Employer's contribution to provident fund	17.24	11.15	7.71
<b>Total</b>	<b>17.24</b>	<b>11.15</b>	<b>7.71</b>

**B. Defined benefit plans**

The Group provides for retirement/post retirement benefits in the form of unfunded gratuity, which is provided for based on actuarial valuation, as at the balance sheet date, made by independent actuaries. Termination benefits are recognized as expense as and when incurred.

**a) Statement of Profit and Loss**

i. Net employee benefit expense recognized in the employee cost

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Current service cost	3.71	6.20	2.71
Past service cost	-	-	-
Interest cost	1.12	1.00	0.73
<b>Expenses recognized in Statement of Profit and Loss</b>	<b>4.83</b>	<b>7.20</b>	<b>3.44</b>

ii. Amount recognised in the statement of other comprehensive income (OCI)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
Actuarial (Gains)/Losses on obligation for the period	(0.46)	3.56	0.54
<b>Closing balance remeasurement (gain) / loss recognised in OCI</b>	<b>(0.46)</b>	<b>3.56</b>	<b>0.54</b>

**b) Change in present value of defined benefit obligation**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
Liability at the beginning of the period	19.69	12.88	9.24
Current service cost	3.71	6.20	2.71
Past service cost	-	-	-
Interest cost	1.12	1.00	0.72
Benefits paid	(0.24)	(3.99)	(0.34)
Remeasurement (gain)/loss in other comprehensive income			
Actuarial changes arising from changes in demographic assumptions	-	(0.41)	-
Actuarial changes arising from changes in financial assumptions	0.17	1.20	0.08
Actuarial changes arising from changes in experience assumptions	(0.63)	2.77	0.47
Exchange difference	0.03	0.04	0.00
<b>Liability at the end of the year</b>	<b>23.85</b>	<b>19.69</b>	<b>12.88</b>

**c) Net defined benefit liability**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
Closing present value of the defined benefit obligation	(23.85)	(19.69)	(12.88)
<b>Net liability recognized in Balance Sheet</b>	<b>(23.85)</b>	<b>(19.69)</b>	<b>(12.88)</b>

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**Annexure VII****Notes to Restated Summary Statements****d) The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:**

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
<b>Assumptions</b>			
Retirement age	58 years	58 years	58 years
Expected return on plan assets	N.A.	N.A.	N.A.
Discount rate	2.20%-5.58%	2.40%-5.76%	3.40%-7.79%
Salary escalation rate	6.00%	6.00%	6.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ult
Rate of Employee Turnover	20%-35%	20%-35%	20%-35%
Average expected future service	4 years	4 years	4 years

**e) Sensitivity analysis:**

Sensitivity analysis indicates the effects of reasonable changes in certain significant assumptions on the outcome of the present value of obligation. Sensitivity analysis is done by increasing / decreasing one parameter at a time (while keeping all other parameters constant) and studying its impact.

Change in assumptions	Effect on gratuity obligation		
	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
<b>Discount rate</b>			
Increase by 1%	(0.91)	(0.63)	(1.23)
Decrease by 1%	0.99	0.68	1.43
<b>Salary escalation rate</b>			
Increase by 1%	0.97	0.67	1.44
Decrease by 1%	(0.91)	(0.63)	(1.26)
<b>Rate of Employee Turnover</b>			
Increase by 1%	(0.24)	(0.14)	0.08
Decrease by 1%	0.25	0.15	(0.10)

**f) The following payments are the projected benefits payable in future years from the date of reporting**

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
1st Following Year	3.66	5.25	0.35
2nd Following Year	3.41	2.40	0.29
3rd Following Year	3.20	2.47	0.33
4th Following Year	3.09	2.24	0.55
5th Following Year	3.03	2.07	0.44
Sum of Years 6 To 10	10.34	7.44	6.10
Sum of Years 11 and above	4.24	2.58	26.03

**g) Impact of social security:**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

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**Annexure VII****Notes to Restated Summary Statements****40 Contingent liabilities and capital commitments****A Contingent liabilities**

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
(i) <u>Claims against Group not acknowledged as debts:</u>			
Income tax matters pending before tax authorities	7.39	6.98	-
Sales tax demand	23.48	14.57	13.07
(ii) <u>Others</u>			
Bank guarantee*	2,007.75	1,971.96	1,599.41
Letter of credit*	70.34	66.44	237.31

\*Also refer note 26 for covenant compliance.

**B Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for by the Group for the year ended 31 March, 2021 is Rs. 2.22 Mn (31 March, 2020: Nil, 31 March 2019: Nil).



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**Annexure VII**

**Notes to Restated Summary Statements**

**41 Related party transactions**

**Information on related party transactions as required by Indian Accounting Standard 24 (Ind AS 24) on related party disclosures for year ended 31 March 2021**

**a Ultimate holding and controlling entity**

Prakash Jain Family Trust (w.e.f. 1st July, 2019)

**b Key Managerial Personnel ("KMP") and their relatives:**

Prakash Jain	Director
Manjula Jain	Spouse of Director
Chetan Jain	Director
Vishal Jain	Director
Jigar Jain	Director
Manoj Kanodia	Chief Executive Officer (CEO)
Kavita Kanodia	Spouse of KMP
Sanjay Kumar Dhoot (From 5 May 2009 to 31 March 2020)	Chief Financial Officer (CFO)
Sumita Dhoot	Spouse of KMP
Jay Prakash Sahal (From 13 May 2020 to 27 November 2020)	Chief Financial Officer (CFO)
Sachin Poptani (From 1 April 2019 to 1 April 2020) (Refer note (iii) below)	Company Secretary and Compliance Officer
Ashwini Poptani	Spouse of KMP

**c Subsidiaries Companies:**

Inspira IT Solutions and Services Private Ltd.  
Inspira Tech Asia PTE Ltd (Formerly known as Inspira IT Products Singapore PTE Ltd.)  
Inspira MEA IT Solutions Ltd., UAE (w.e.f. 19th July, 2018)  
Inspira Enterprise IT Solution LLC (w.e.f. 28th March, 2020)  
Inspira Enterprise INC (w.e.f. 11th September, 2019)  
Inspira Tech Philippines Corporation (w.e.f 16 March, 2021)  
Inspira Infotech Africa Ltd. (w.e.f. 18th June, 2019)  
Inspira Enterprise India Private Ltd. Employees Gratuity trust (w.e.f. 1 September, 2020) (Refer note I below)

**d Joint Venture Companies:**

Manorama Infosolutions Private Ltd.  
ITS Planners and Engineers Private Ltd.  
IRAM Technologies Private Ltd.  
Yooil Infrastructure Private Ltd. (upto 30 May, 2019)

**e Enterprises over which key managerial personnel and their relatives have significant influence or is a member of Key Managerial Personnel of the entity (Other related parties):**

Realty Finance & Leasing Pvt Ltd  
Manjula Jain Family Trust  
Inspira IT Products Pvt Ltd

**Notes:**

- I. During the FY 2020-21, the Group has formed an employee gratuity trust. Inspira will hold 100% in the shareholding of the trust. As on 31 March 2021, there is no share capital infused in the trust and no transactions have taken place.
- II. Raghavendra Jha has been appointed as Chief Financial Officer (CFO) with effect from 24 May 2021.
- III. Sachin Poptani has been appointed as the Company Secretary and Compliance Officer with effect from 2 August 2021.
- IV. Following independent directors have been appointed with effect from 2 June 2021:
  1. Appen Menon
  2. Mathew Willian Bross
  3. Manju Agarwal
  4. Vijay Bhatt

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**Annexure VII**
**Notes to Restated Summary Statements**
**B. Details of Transactions with Related Parties**

Sr No	Particulars	Relationship	For the year ended		
			31 March 2021	31 March 2020	31 March 2019
<b>1</b>	<b>Purchase of traded goods and services</b>				
	Manorama Infosolutions Private Ltd.	Joint venture	91.21	76.22	47.05
	ITS Planners and Engineers Private Ltd.	Joint venture	59.77	134.74	8.42
	IRAM Technologies Private Ltd.	Joint venture	66.29	43.72	18.69
<b>2</b>	<b>Sale of traded goods and services</b>				
	Inspira IT Products Private Ltd.	Other related parties	-	-	5.35
	Manorama Infosolutions Private Ltd.	Joint venture	97.43	-	-
	ITS Planners and Engineers Private Ltd.	Joint venture	12.02	-	8.08
	IRAM Technologies Private Ltd.	Joint venture	4.00	-	-
<b>3</b>	<b>Repayment of lease liability- Ind AS 116</b>				
	Realty Finance & Leasing Pvt Ltd	Other related parties	8.40	8.40	8.40
<b>4</b>	<b>Interest on lease liabilities- Ind AS 116</b>				
	Realty Finance & Leasing Pvt Ltd	Other related parties	0.95	1.52	2.12
<b>5</b>	<b>Interest Income on security deposits</b>				
	Realty Finance & Leasing Pvt Ltd	Other related parties	0.91	0.84	0.78
<b>6</b>	<b>Interest Income</b>				
	Yooil Infrastructure Private Ltd.	Joint venture	-	2.38	1.44
<b>7</b>	<b>Loans and advances taken</b>				
	Prakash Jain	Key Management Personnel	-	15.00	57.50
	Chetan Jain	Key Management Personnel	290.60	113.00	302.50
	Jigar Jain	Key Management Personnel	7.50	72.00	110.00
	Vishal Jain	Key Management Personnel	20.00	35.00	-
	Manjula Jain	Spouse of Director	-	25.00	-
	Manjula Jain Family Trust	Other related parties	-	55.00	-
	Prakash Jain Family Trust	Ultimate holding and controlling	-	288.54	-
<b>8</b>	<b>Loans and advances given</b>				
	Yooil Infrastructure Private Ltd.	Joint venture	-	-	35.10
<b>9</b>	<b>Amounts paid on behalf of</b>				
	Inspira IT Products Pvt Ltd	Other related parties	0.03	0.25	0.01
	Realty Finance & Leasing Pvt Ltd	Other related parties	-	-	0.12
	Yooil Infrastructure Private Ltd.	Joint venture	-	-	3.35
<b>10</b>	<b>Amounts paid by</b>				
	Realty Finance & Leasing Pvt Ltd	Other related parties	-	-	0.60
	Inspira IT Products Pvt Ltd	Other related parties	-	-	0.04
<b>11</b>	<b>Sale of investment</b>				
	Jigar Jain	Key Management Personnel	-	0.25	-

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**Annexure VII****Notes to Restated Summary Statements****C. Balance due from / to related party**

Sr No.	Particulars	Relationship	At 31st March 2021	At 31st March 2020	At 31st March 2019
<b>1</b>	<b>Investment in equity shares</b>				
	Manorama Infosolutions Pvt. Ltd.	Joint Venture	76.18	71.06	65.16
	IRAM Technologies Pvt. Ltd.	Joint Venture	54.45	50.40	49.35
	ITS Planners and Engineers Pvt. Ltd.	Joint Venture	84.67	75.17	67.89
	Yooil Infrastructure Pvt. Ltd.	Joint Venture	-	-	0.37
<b>2</b>	<b>Security Deposit Receivable- Ind AS 116</b>				
	Realty Finance & Leasing Pvt Ltd	Other related parties	12.21	11.30	10.46
<b>3</b>	<b>Trade Receivable</b>				
	ITS Planners and Engineers Private Ltd.	Joint venture	0.42	-	9.53
	Manorama Infosolutions Private Ltd.	Joint venture	98.00	-	-
	IRAM Technologies Private Ltd.	Joint venture	4.42	-	-
<b>4</b>	<b>Advance to Vendor</b>				
	ITS Planner and Engineers Pvt. Ltd.	Joint Venture	-	-	11.07
	Manorama Infosolutions Pvt. Ltd.	Joint Venture	-	9.68	-
	IRAM Technologies Pvt. Ltd.	Joint Venture	-	0.42	-
<b>5</b>	<b>Reimbursement receivable</b>				
	Inspira IT Products Pvt Ltd	Other related parties	-	0.25	-
<b>6</b>	<b>Interest Receivable</b>				
	Yooil Infrastructure Pvt. Ltd.	Joint Venture	-	-	1.29
<b>7</b>	<b>Loans and advances given by the Group</b>				
	Yooil Infrastructure Pvt. Ltd.	Joint Venture	-	-	35.10
<b>8</b>	<b>Loan Payable</b>				
	Prakash Jain	Key Management Personnel	-	-	10.00
	Chetan Jain	Key Management Personnel	145.60	-	158.42
	Jigar Jain	Key Management Personnel	-	-	5.50
	Manjula Jain Family Trust	Other related parties	35.00	35.00	-
	Prakash Jain Family Trust	Ultimate holding and controlling	265.00	265.00	-
<b>9</b>	<b>Trade Payable</b>				
	Manorama Infosolutions Private Ltd.	Joint venture	24.04	-	15.78
	IRAM Technologies Private Ltd.	Joint venture	48.69	-	15.67
	ITS Planners and Engineers Private Ltd.	Joint venture	52.53	37.47	-
	Realty Finance & Leasing Pvt. Ltd.	Other related parties	5.41	2.18	2.20
	Inspira IT Products Pvt. Ltd.	Other related parties	-	-	0.04
<b>10</b>	<b>Lease Liability as per Ind AS 116</b>				
	Realty Finance & Leasing Pvt. Ltd.	Other related parties	8.05	15.50	22.26
<b>11</b>	<b>Security taken by the Company against credit facility</b>				
	Realty Finance & Leasing Pvt. Ltd.	Other related parties	Refer note 26	Refer note 26	Refer note 26

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**Annexure VII**

**Notes to Restated Summary Statements**

**D.1 Transactions with KMPs and their relatives**

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>1</b>	<b>Remuneration paid *</b>			
	Prakash Jain	7.50	47.00	450.00
	Chetan Jain	5.00	8.00	5.00
	Vishal Jain	5.00	-	5.00
	Jigar Jain	-	14.50	5.00
	Manoj Kanodia	18.05	20.39	16.81
	Sachin Poptani	7.44	7.60	6.73
	Sanjaykumar Dhoot	6.41	9.22	8.07
	Jay Prakash Sahal	6.78	-	-
	<b>Sub-total (A)</b>	<b>56.18</b>	<b>106.71</b>	<b>496.61</b>
<b>2</b>	<b>Vehicle rent**</b>			
	Ashwini Poptani	0.84	0.84	0.84
	Kavita Kanodia	0.96	0.96	0.96
	Sumita Dhoot	-	1.14	0.94
	<b>Sub-total (B)</b>	<b>1.80</b>	<b>2.94</b>	<b>2.74</b>
<b>Total</b>		<b>57.98</b>	<b>109.65</b>	<b>499.35</b>

**D.2 Compensation of KMPs of the Group**

Sr No.	Particulars	As At 31st March 2021	As At 31st March 2020	As At 31st March 2019
<b>1</b>	Short- term employee benefits	53.59	106.71	496.61
<b>2</b>	Post employment benefits	-	-	-
<b>3</b>	Termination benefits	2.59	-	-
<b>Total</b>		<b>56.18</b>	<b>106.71</b>	<b>496.61</b>

Total employee stock compensation expense (Note 32) for the year ended 31 March 2021 includes a charge of Rs 170.65 Mn towards KMPs (31 March 2020: Nil, 31 March 2019: Nil).

**E. Balance outstanding of KMPs and their relatives as at the Balance Sheet date**

Sr No.	Particulars	As At 31st March 2021	As At 31st March 2020	As At 1st April 2019
<b>1</b>	<b>Remuneration payable:</b>			
	Manoj Kanodia	0.00	-	0.02
	Sachin Poptani	0.00	0.09	0.01
	Sanjaykumar Dhoot	-	-	-
	Jay Prakash Sahal	-	-	-
<b>2</b>	<b>Vehicle rent payable**</b>			
	Ashwini Poptani	0.07	0.07	-
	Kavita Kanodia	0.08	0.08	0.04
	Sumita Dhoot	-	0.09	-
<b>3</b>	<b>Advance given</b>			
	Manoj Kanodia	-	6.27	-

\* This includes short term employee benefits and key management personnel who are under the employment of the Group are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS19- Employee Benefits in the financial statements. As these employee benefits are lumpsum such amounts provided on the basis of actuarial valuation, the same is not included above.

\*\*Vehicle rent is paid to relatives of KMP

**Terms and conditions of transactions with related parties:**

Outstanding balances at the year-end are unsecured, repayable on demand and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: Rs. Nil, 31 March 2019 (Proforma) : Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**F. Details Of Loans & Investment As Required U/S 186 Of Companies Act, 2013**

Please refer note 41 B above for loans given during the year and note 41 C above for balances related to loans given to related parties. Further please refer note 18 for terms and conditions of these loans to Joint Venture.

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**G. Following transactions were eliminated on consolidation :**

**i. Details of Transactions with Related Parties**

Sr No	Particulars	Relationship	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 (Proforma)
<b>(i) Inspira Enterprise India Limited</b>					
<b>1</b>	<b>Sale of traded goods and services</b>				
	Inspira Tech Asia PTE Ltd.	Subsidiary	15.21	-	-
<b>2</b>	<b>Cost of material consumed</b>				
	Inspira MEA IT Solutions L.L.C.	Subsidiary	31.28	-	-
<b>3</b>	<b>Interest Income</b>				
	Inspira MEA IT Solutions L.L.C.	Subsidiary	5.61	2.37	0.38
	Inspira Tech Asia PTE Ltd.	Subsidiary	1.05	-	-
	Inspira Enterprise INC	Subsidiary	0.18	-	-
	Inspira Enterprise IT Solutions L.L.C	Subsidiary	0.47	-	-
<b>4</b>	<b>Provision for diminution in value of investments</b>				
	Inspira IT Solutions & Private Limited	Subsidiary	-	-	13.93
<b>5</b>	<b>Loans and advances given</b>				
	Inspira Tech Asia PTE Ltd.	Subsidiary	16.54	-	-
	Inspira MEA IT Solutions L.L.C.	Subsidiary	11.00	12.97	15.70
	Inspira Enterprise IT Solutions L.L.C.	Subsidiary	10.08	-	-
<b>6</b>	<b>Amounts paid on behalf of</b>				
	Inspira IT Solutions and Services Private Limited	Subsidiary	-	0.00	0.45
	Inspira Enterprise IT Solutions L.L.C.	Subsidiary	-	0.52	-
	Inspira Tech Asia PTE Ltd.	Subsidiary	-	-	0.12
	Inspira Enterprise Inc	Subsidiary	-	1.38	-
<b>7</b>	<b>Purchase of equity shares</b>				
	Inspira Enterprise IT Solutions L.L.C.	Subsidiary	0.48	-	-
<b>8</b>	<b>Unrealised profit on goods purchased</b>				
	Manorama Infosolutions Private Limited	Joint venture	19.09	-6.96	-
	IRAM Technologies Private Ltd.	Joint venture	-	2.22	-2.22
	ITS Planners and Engineers Private Ltd.	Joint venture	-	2.20	-2.20
<b>(ii) Inspira Tech Asia PTE Ltd.</b>					
<b>1</b>	<b>Cost of material consumed</b>				
	Inspira Enterprise India Limited	Holding Company	15.71	-	-
<b>2</b>	<b>Finance cost</b>				
	Inspira Enterprise India Limited	Holding Company	1.05	-	-
<b>3</b>	<b>Loans and advances taken</b>				
	Inspira Enterprise India Limited	Holding Company	16.54	-	-
<b>4</b>	<b>Amounts paid on Company's behalf</b>				
	Inspira Enterprise India Limited	Holding Company	-	-	0.12
<b>5</b>	<b>Impairment of investments</b>				
	Inspira Enterprise INC	Subsidiary	0.75	-	-

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**G. Following transactions were eliminated on consolidation :****(iii) Inspira MEA IT Solutions L.L.C.**

<b>1 Sale of traded goods and services</b>				
Inspira Enterprise India Limited	Holding Company	31.28	-	-
<b>2 Finance cost</b>				
Inspira Enterprise India Limited	Holding Company	5.61	2.37	0.38
<b>3 Loans and advances taken</b>				
Inspira Enterprise India Limited	Holding Company	11.00	12.97	15.70

**(iv) Inspira Enterprise INC**

<b>1 Finance cost</b>				
Inspira Enterprise India Limited	Holding Company	0.18	-	-
<b>2 Amounts paid on Company's behalf</b>				
Inspira Enterprise India Limited	Holding Company	-	1.38	-

**(v) Inspira Enterprise IT Solutions L.L.C**

<b>1 Finance cost</b>				
Inspira Enterprise India Limited	Holding Company	0.47	-	-
<b>2 Loans and advances taken</b>				
Inspira Enterprise India Limited	Holding Company	10.08	-	-
<b>3 Capital contribution</b>				
Inspira Enterprise India Limited	Holding Company	0.48	-	-
<b>4 Amounts paid on Company's behalf</b>				
Inspira Enterprise India Limited	Holding Company	-	0.52	-

**(vi) Inspira IT Solutions and Services Private Limited**

<b>1 Amounts paid on Company's behalf</b>				
Inspira Enterprise India Limited	Holding Company	-	0.00	0.45

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**G. Following transactions were eliminated on consolidation :**

**ii. Balance due from / to related party**

Sr No.	Particulars	Relationship	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
<b>(i) Inspira Enterprise India Limited</b>					
<b>1 Investment in equity shares</b>					
	Inspira IT Solutions and Services Pvt. Ltd.	Subsidiary	-	-	13.93
	Inspira IT Products Singapore PTE Ltd.	Subsidiary	0.00	0.00	0.00
	Inspira Enterprise IT Solutions LLC	Subsidiary	0.48		-
	Inspira MEA IT Solutions L.L.C	Subsidiary	3.08	3.08	3.08
	Inspira Infotech Africa Limited	Subsidiary	0.07	0.07	-
	Inspira Tech Philippines Corporation	Subsidiary	1.02	-	-
	Inspira Enterprise INC	Subsidiary	-	0.75	-
<b>2 Provision for Diminution in the value of investment</b>					
	Inspira IT Solutions & Services Pvt. Ltd.	Subsidiary	-	-	13.93
<b>3 Trade Receivable</b>					
	Inspira Tech Asia PTE Ltd.	Subsidiary	15.21	-	-
<b>4 Advance to Vendor</b>					
	Inspira MEA IT Solutions L.L.C	Subsidiary	30.35	-	-
	Inspira Enterprise INC	Subsidiary	-	1.38	-
	Inspira Enterprise IT Solutions L.L.C.	Subsidiary	-	0.52	-
<b>5 Loan and Advances Given By Company</b>					
	Inspira MEA IT Solutions L.L.C	Subsidiary	39.29	29.70	15.70
	Inspira Enterprise IT Solutions L.L.C.	Subsidiary	9.84	-	-
	Inspira Tech Asia PTE Ltd.	Subsidiary	16.41	-	-
<b>6 Interest Receivable</b>					
	Inspira MEA IT Solutions L.L.C	Subsidiary	8.32	2.75	0.39
	Inspira Enterprise IT Solutions L.L.C.	Subsidiary	0.47	-	-
	Inspira Enterprise INC	Subsidiary	0.17	-	-
	Inspira Tech Asia PTE Ltd.	Subsidiary	1.05	-	-
<b>7 Trade Payable</b>					
	Inspira IT Products Singapore PTE Ltd.	Subsidiary	-	0.03	0.25
<b>8 Other Receivable</b>					
	Inspira IT Solutions and Services Pvt. Ltd.	Subsidiary	0.65	0.65	0.65
	Inspira Enterprise INC	Subsidiary	1.35	1.39	-
	Inspira Enterprise IT Solutions L.L.C.	Subsidiary	0.52	0.52	-
<b>(ii) Inspira IT Solutions and Services Pvt. Ltd.</b>					
<b>1 Share capital</b>					
	Inspira Enterprise India Limited	Holding Company	-	-	13.93
<b>2 Other payable</b>					
	Inspira Enterprise India Limited	Holding Company	0.65	0.65	0.65
<b>(iii) Inspira Tech Asia PTE Ltd.</b>					
<b>1 Share capital</b>					
	Inspira Enterprise India Limited	Holding Company	0.00	0.00	0.00
<b>2 Trade Payable</b>					
	Inspira Enterprise India Limited	Holding Company	15.21	-	-
<b>3 Loans and advances taken by the Company</b>					
	Inspira Enterprise India Limited	Holding Company	16.41	-	-
	Inspira MEA IT Solutions L.L.C	Fellow Subsidiary	7.38	-	-
<b>4 Interest payable</b>					
	Inspira Enterprise India Limited	Holding Company	1.05	-	-
<b>5 Trade receivable</b>					
	Inspira Enterprise India Limited	Holding Company	-	0.03	0.25
<b>6 Loan and Advances Given By Company</b>					
	Inspira Infotech Africa Limited	Subsidiary <sup>301</sup>	7.56	-	-

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**G. Following transactions were eliminated on consolidation :****(iv) Inspira Enterprise IT Solutions LLC****1 Share capital**

Inspira Enterprise India Limited	Holding Company	0.48	-	-
<b>2 Advance from customers</b>				
Inspira Enterprise India Limited	Holding Company	-	0.52	-
<b>3 Loans and advances taken by the Company</b>				
Inspira Enterprise India Limited	Holding Company	9.84	-	-
Inspira MEA IT Solutions L.L.C	Fellow Subsidiary	1.95	-	-
<b>4 Interest payable</b>				
Inspira Enterprise India Limited	Holding Company	0.47	-	-
<b>5 Other payable</b>				
Inspira Enterprise India Limited	Holding Company	0.52	0.52	-

**(v) Inspira MEA IT Solutions L.L.C****1 Share capital**

Inspira Enterprise India Limited	Holding Company	3.08	3.08	3.08
<b>2 Loans and advances taken by the Company</b>				
Inspira Enterprise India Limited	Holding Company	39.29	29.70	15.70
<b>3 Advance from customers</b>				
Inspira Enterprise India Limited	Holding Company	30.35	-	-
<b>4 Interest payable</b>				
Inspira Enterprise India Limited	Holding Company	8.32	2.75	0.39
<b>5 Loan and Advances Given By Company</b>				
Inspira Tech Asia PTE Ltd.	Fellow Subsidiary	7.38	-	-
Inspira Enterprise IT Solutions LLC	Fellow Subsidiary	1.95	-	-

**(vi) Inspira Enterprise INC****1 Advance from customers**

Inspira Enterprise India Limited	Holding Company	-	1.38	-
<b>2 Interest payable</b>				
Inspira Enterprise India Limited	Holding Company	0.17	-	-
<b>3 Other payable</b>				
Inspira Enterprise India Limited	Holding Company	1.35	1.39	-

**(vii) Inspira Infotech Africa Limited****1 Share Capital**

Inspira Enterprise India Limited	Holding Company	0.07	0.07	-
<b>2 Loans and advances taken by the Company</b>				
Inspira Tech Asia PTE Ltd.	Holding Company	7.56	-	-

**(viii) Inspira Tech Philippines Corporation****1 Share Capital**

Inspira Enterprise India Limited	Holding Company	1.02	-	-
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**Annexure VII****Notes to Restated Summary Statements****42 Segment information:****A Basis of segment information**

The Group's offering predominantly includes cyber security, digital solutions and integrated enterprise solutions. All the activities of the Group revolves around the main business. Executive management is the chief operating decision maker (CODM) and the CODM monitors the operating results of the business as a whole for the purpose of making decisions about resource allocation and performance assessment. Therefore, management views Group's business activity/offering as a single segment. Segment performance is evaluated based on and measured consistently with profit or loss in the financial statements.

**B Revenue by geographical market:**

	<u>31 March 2021</u>	<u>31 March 2020</u>	<u>31 March 2019</u>
In India	7,952.95	7,346.27	6,132.53
Outside India	74.64	277.04	115.19
<b>Total</b>	<b><u>8,027.59</u></b>	<b><u>7,623.31</u></b>	<b><u>6,247.72</u></b>

**C Non-current operating assets by geographical market:**

Group's non current operating assets are held within India, i.e., within the country of incorporation.

**D Major customers**

Revenue from 1 external customers is Rs. 1,261.42 Mn which constitutes 15.86 % of total revenue (31 March 2020: there are no external customers which constitute more than 10% of total revenue, 31 March 2019: Revenue from 1 external customers is Rs. 1,134.21 Mn which constitutes 18.15 % of total revenue )

**Annexure VII**

**Notes to Restated Summary Statements**

**43 Financial instruments – Fair values**

**A Accounting classification and fair value**

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying Value			Fair Value		
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
<b>Financial assets carried at FVTOCI</b>						
Investment in unquoted equity shares	30.92	29.58	29.99	30.92	29.58	29.99
<b>Financial assets carried at FVTPL</b>						
Investment in unquoted mutual funds	-	0.52	6.42	-	0.52	6.42
<b>Financial assets carried at amortised cost</b>						
Security deposits	43.26	50.05	49.65	44.40	42.82	52.92
	<b>74.18</b>	<b>80.15</b>	<b>86.06</b>	<b>75.32</b>	<b>72.92</b>	<b>89.33</b>

**a. Financial assets**

Fair value of other financial assets such as fixed deposit balances, trade receivables, cash & cash equivalents and loans to related parties are reasonable approximations of their carrying value on reporting date.

**b. Financial liabilities**

Fair value of contingent and deferred purchase consideration on business combination, trade payables, cash credit facilities repayable on demand and book overdraft are reasonable approximations of their carrying value on reporting date.

**Valuation techniques and significant unobservable inputs**

**A Financial instrument measured at fair value**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of security deposits, deferred/contingent consideration payable on business combination, as well as other financial liabilities and financial assets is estimated by discounting future cash flows (DCF) using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount ratio. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value
- Fair value of unquoted equity shares is calculated using following valuation methods:

1 April 18(Proforma) - Not applicable

31 March 2019 (Proforma) - Cost method

31 March 2020 - Comparable Companies Method (CoCo) & Price of recent investment (PORI)

31 March 2021 - DCF, CoCo & PORI

The valuation requires management to make certain assumptions about model inputs, including forecast cashflow, discount rate and volatility etc. The probability of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value of these unquoted equity investments.

**Valuation methodology:**

- Cost approach - As per this method, either considers book value or replacement cost or realisable value as an indicator of value.
  - CoCo- As per this method, the fair value is estimated by multiplying the valuation multiple of comparable listed companies with the performance indicators of the company being valued.
  - PORI - As per this method, the initial cost of investment or the price at which subsequent investment are made in the company is used to estimate the enterprise value of the Company.
- Fair value of unquoted mutual fund is derived using net asset value (NAV) price.

**Annexure VII**

**Notes to Restated Summary Statements**

**B Financial instrument measured at amortised cost:**

The carrying amount of financial assets and financial liability measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the Group does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:**

	Total	Quoted price in active market (Level I)	Significant observable inputs (level II)	Significant unobservable inputs (level III)
<b>Financial assets measured at FVTPL</b>				
Investment in unquoted mutual funds	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial assets measured at FVOCI</b>				
Investment in unquoted equity shares	30.92	-	-	30.92
	<b>30.92</b>	<b>-</b>	<b>-</b>	<b>30.92</b>
<b>Financial assets measured at amortised cost</b>				
Security deposits	44.40	-	-	44.40
	<b>44.40</b>	<b>-</b>	<b>-</b>	<b>44.40</b>
<b>Financial liabilities measured at FVTPL</b>				
Deferred consideration payable on business combination (Refer note 48)	9.94	-	-	9.94
Contingent consideration payable on business combination (Refer note 48)	18.31	-	-	18.31
	<b>28.25</b>	<b>-</b>	<b>-</b>	<b>28.25</b>

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020:**

	Total	Quoted price in active market (Level I)	Significant observable inputs (level II)	Significant unobservable inputs (level III)
<b>Financial assets measured at FVTPL</b>				
Investment in unquoted mutual funds	0.52	-	0.52	-
	<b>0.52</b>	<b>-</b>	<b>0.52</b>	<b>-</b>
<b>Financial assets measured at FVOCI</b>				
Investment in unquoted equity shares	29.58	-	-	29.58
	<b>29.58</b>	<b>-</b>	<b>-</b>	<b>29.58</b>
<b>Financial assets measured at amortised cost</b>				
Security deposits	42.82	-	-	42.82
	<b>42.82</b>	<b>-</b>	<b>-</b>	<b>42.82</b>

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**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019:**

	Total	Quoted price in active market (Level I)	Significant observable inputs (level II)	Significant unobservable inputs (level III)
<b>Financial assets measured at FVTPL</b>				
Investment in unquoted mutual funds	6.42	-	6.42	-
	<b>6.42</b>	<b>-</b>	<b>6.42</b>	<b>-</b>
<b>Financial assets measured at FVOCI</b>				
Investment in unquoted equity shares	29.99	-	-	29.99
	<b>29.99</b>	<b>-</b>	<b>-</b>	<b>29.99</b>
<b>Financial assets measured at amortised cost</b>				
Security deposits	52.92	-	-	52.92
	<b>52.92</b>	<b>-</b>	<b>-</b>	<b>52.92</b>

There have been no transfers between Level 1 and Level 2 during the year ended 31 March, 2021, 31 March 2020 and 31 March 2019.

**B. Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:**

Particulars	Amount
As at 1 April 2018	-
Add: Purchase during the year	29.99
Add: Remeasurement recognized in OCI	-
<b>As at 31 March 2019</b>	<b>29.99</b>
As at 1 April 2019	29.99
Add: Remeasurement recognized in OCI	(0.41)
<b>As at 31 March 2020</b>	<b>29.58</b>
Add: Remeasurement recognized in OCI	1.34
<b>As at 31 March 2021</b>	<b>30.92</b>

**Annexure VII**

**Notes to Restated Summary Statements**

**44 Financial instruments – Risk management**

**B Financial risk management objectives and policies**

The Group's principal financial liabilities comprises of short term loan, loan from directors, trade payables and lease liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, investments, fixed deposit and cash & cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

**B.1 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group does not have significant market risk as it predominantly renders services in domestic market. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

**B.2 Interest risk**

The Group has no significant borrowings on the financial statement hence is not subject to interest rate risk. The Group has short term borrowings in the nature of cash credit facility from bank.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Short term borrowings	Change in Basis points	Increase/ decrease	Effect on profit before tax (decrease) / increase		
			As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
Cash credit loan in Rs.	100	Increase	(1.93)	(1.94)	(0.67)
Cash credit loan in Rs.	100	Decrease	1.93	1.94	0.67

**B.3 Commodity risk**

The Commodity is not exposed to risks in fluctuation of prices of materials, which are used as key inputs. Historically, as a practice, and as per the understanding with the customers, the Group has passed on any increase in the cost of materials to its customers and does not foresee a significant risk to its Statement of Profit and Loss on account of fluctuations in the prices of materials.

**B.4 Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks

Customer credit risk is managed by each business unit. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 15. The charge of impairment to Statement of Profit and Loss is Rs. 73.52 Mn (31 March 2020: Rs.81.26 Mn , 31 March 2019: Rs.53.11 Mn) . The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Except for March 31, 2019, no single customer accounted for more than 10% of the accounts receivable as at March 31, 2021 and March 31, 2020. As at March 31, 2019, there were only two customers accounted for more than 10% of the total accounts receivable as at that date.

Credit risk from balances with banks, mutual funds, loans and other financial assets are managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties having a good market reputation and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Group's maximum exposure to credit risk for bank balances and deposits as at March 31, 2021, March 31, 2020 and March 31, 2019 is the carrying amounts as disclosed in Note 16.

**B.5 Equity price risk**

The Group has investment only in non-listed equity securities and mutual funds. Following are the carrying value of such investments as at each reporting date:

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019 (Proforma)
Investment in unquoted equity shares (Refer note 9)	30.92	29.58	29.99
Investment in mutual funds (Refer note 14)	-	0.52	6.42
<b>Total</b>	<b>30.92</b>	<b>30.10</b>	<b>36.41</b>

These investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The total value of such investments does not pose any material equity risk for the Group.

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**Notes to Restated Summary Statements**

**B.6 Liquidity risk**

Liquidated risk is the risk the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure that funds are available as per requirements. The Group constantly generate cashflows from operation to meet its financial obligations when they fall due. The Group monitors its risk of shortage of funds. The Group assessed the concentration of risk and concluded it to be low.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Carrying Amount	Total contractual undiscounted cashflow	On demand	Less than 1 year	1 to 5 years	> 5 years
<b>Year ended 31 March 2021</b>						
Non current lease liabilities	15.37	19.22	-	-	19.22	-
Contingent purchase consideration on account of business combination (Refer note 48)	18.31	20.00	-	-	20.00	-
Current Borrowings	638.13	638.13	638.13	-	-	-
Current Lease liabilities	25.99	25.99	-	25.99	-	-
Trade Payables	3,801.10	3,801.10	1,077.30	2,723.80	-	-
Deferred purchase consideration on account of business combination (Refer note 48)	9.94	10.00	-	10.00	-	-
Other payable	1.04	1.04	-	1.04	-	-
	<b>4,509.88</b>	<b>4,515.48</b>	<b>1,715.43</b>	<b>2,760.83</b>	<b>39.22</b>	<b>-</b>

	Carrying Amount	Total contractual undiscounted cashflow	On demand	Less than 1 year	1 to 5 years	> 5 years
<b>Year ended 31 March 2020</b>						
Non current lease liabilities	36.24	45.21	-	-	45.21	-
Borrowings	493.52	493.52	493.52	-	-	-
Current Lease liabilities	29.59	29.59	-	29.59	-	-
Trade Payables	3,904.25	3,904.25	1,125.19	2,779.06	-	-
Other payable	0.01	0.01	-	0.01	-	-
Book overdraft	26.43	26.43	26.43	-	-	-
	<b>4,490.04</b>	<b>4,499.01</b>	<b>1,645.14</b>	<b>2,808.66</b>	<b>45.21</b>	<b>-</b>

	Carrying Amount	Total contractual undiscounted cashflow	On demand	Less than 1 year	1 to 5 years	> 5 years
<b>As at 31 March 2019 (Proforma)</b>						
Non-current lease liabilities	22.09	74.26	-	-	74.26	-
Borrowings	290.58	290.58	290.58	-	-	-
Current Lease liabilities	28.92	28.92	-	28.92	-	-
Trade Payables	3,281.99	3,281.99	404.57	2,877.42	-	-
	<b>3,623.58</b>	<b>3,675.75</b>	<b>695.15</b>	<b>2,906.34</b>	<b>74.26</b>	<b>-</b>

The undrawn limit of cash credit facility as at 31 March 2021 is Rs. 147.47 Mn (31 March 2020: Rs. 146.48 Mn and 31 March 2019: Rs. 222.84 Mn).

**B.7 Foreign Exchange Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). Group's exposure is very limited.

Following table analyses the foreign currency risk exposure for Profit & Loss Account for the year ended March 31, 2021

	U.S. Dollars	Other currencies #	Total
<b>Financial Assets</b>			
Trade receivables	6.61	-	6.61
	<b>6.61</b>	<b>-</b>	<b>6.61</b>
<b>Financial Liabilities</b>			
Trade payables	161.84	0.82	162.66
	<b>161.84</b>	<b>0.82</b>	<b>162.66</b>
Net assets/(liabilities)	<b>(155.23)</b>	<b>(0.82)</b>	<b>(156.05)</b>

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**Foreign currency sensitivity**

5% Change in respective currency and effect on profit before tax	(7.76)	(0.04)	(7.80)
-5% Change in respective currency and effect on profit before tax	7.76	0.04	7.80

The above foreign currency sensitivity is calculated as 5% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Group that would increase/decrease the Group's profit before taxes for the year ended 31 March 2021. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

**Following table analyses the foreign currency risk exposure for Profit & Loss Account for the year ended March 31, 2020**

	U.S. Dollars	Other	Total
<b>Financial Liabilities</b>			
Trade payables	124.42	23.00	147.42
	<b>124.42</b>	<b>23.00</b>	<b>147.42</b>
Net assets/(liabilities)	<b>(124.42)</b>	<b>(23.00)</b>	<b>(147.42)</b>
<b>Foreign currency sensitivity</b>			
5% Change in respective currency and effect on profit before tax	(6.22)	(1.15)	(7.37)
-5% Change in respective currency and effect on profit before tax	6.22	1.15	7.37

The above foreign currency sensitivity is calculated as 5% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Group that would increase/decrease the Group's profit before taxes for the year ended 31 March 2020. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

**Following table analyses the foreign currency risk exposure for Profit & Loss Account for the year ended 31 March 2019 (Proforma)**

	U.S. Dollars	Other	Total
Trade receivables	1.10	-	1.10
	<b>1.10</b>	<b>-</b>	<b>1.10</b>
<b>Financial Liabilities</b>			
Trade payables	86.71	34.74	121.45
	<b>86.71</b>	<b>34.74</b>	<b>121.45</b>
Net assets/(liabilities)	<b>(85.61)</b>	<b>(34.74)</b>	<b>(120.35)</b>
<b>Foreign currency sensitivity</b>			
5% Change in respective currency and effect on profit before tax	(4.28)	(1.74)	(6.02)
-5% Change in respective currency and effect on profit before tax	4.28	1.74	6.02

The above foreign currency sensitivity is calculated as 5% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Group that would increase/decrease the Group's profit before taxes for the year ended 31 March 2019. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

# Other currencies reflect currencies such as Euro, Hong Kong Dollars.

**45 Capital management**

The Group's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders, but keep associated costs under control. In order to achieve, this requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accruals, sourcing of capital is done through judicious combination of equity and borrowing, generally short term loans.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as borrowings, generally short-term less cash and cash equivalents (including current investments) is used to monitor capital.

No changes were made to the objectives, policies and processes for managing capital during the years ended March 2021, March 2020 and March 2019. The net debt and equity is given in the table below:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 (Proforma)
<b>A Total shareholders' equity as reported in the Balance sheet</b>	1,142.97	724.04	530.37
<b>B Borrowings</b>	638.13	493.52	290.58
<b>C Less:</b>			
Current investment	-	0.52	6.42
Cash and bank balances	383.32	942.14	190.68
<b>D Net Debt (B-C)</b>	<b>254.81</b>	<b>(449.14)</b>	<b>93.48</b>
Total debt (E)	254.81	(449.14)	93.48
Total Capital deployed (F=A+D)	<b>1,397.78</b>	<b>274.90</b>	<b>623.85</b>
Gearing ratio (E/F)	18.23	(163.38)	14.98

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**Annexure VII****Notes to Restated Summary Statements****46 Leases**

The Group has adopted Ind AS 116 "Leases" from date of transition April 1, 2019. As a result the Group has changed its accounting policy for lease contracts. The Group applied the Ind AS 116 using the modified retrospective approach and recognised lease liability equal to the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. The Group recognised the right of use asset at the date of initial application at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. In the context of initial application, the Group has exercised the option not to apply the new recognition requirements to short term leases and to leases of low value assets.

The Group has lease contracts for various items of office and warehouse premises. Leases of office premises generally have lease terms between 2-5 years and warehouse premises have between 2-3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

Note: The restated consolidated financial statements for the year ended March 31, 2019 have been prepared on Proforma basis in accordance with the requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 and Guidance note on reports in Group prospectus issued by ICAI. For the purpose of Proforma restated consolidated financial statements for the year ended March 31, 2019, the Company has followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions as per Ind AS 101) as initially adopted on the transition date i.e., April 1, 2019.

**A Transition disclosures:****I. Impact on financial statements**

- a. The Group has adopted Ind AS 116 "Leases" using the modified retrospective approach with effect from 1 April, 2019. The Group has recognised Rs. 51.29 Mn as lease liability and corresponding right of use asset on the date of transition i.e., 1 April, 2019. The adoption has an impact of increase in total expenses by Rs. 5.08 Mn for the year ended 31 March, 2021 (31 March, 2020: Rs. 4.02 Mn, 31 March, 2019: Rs. 3.24 Mn).
- b. Group has adopted Ind AS 116 from 1 April 2019 (Being date of transition to Ind AS) giving approach used for the same. Then for Proforma Ind AS financial for the year ended March 31, 2019, Ind AS is adopted using the same transition approach followed as at 1 April 2018 being proforma Ind AS transition date. As at 1 April, 2018 for the purpose of proforma Ind AS financial statements, the Group has recognised Rs. 61.67 Mn as lease liability and corresponding right of use asset.

When measuring lease liabilities, the Group discounted lease payments using the incremental borrowing rate of the respective lease liability at April 1, 2019 and April 1, 2018 (Proforma). The weighted average rate of discount applied to lease liabilities as at 1 April 2019 is 7.60% and as at 1 April 2018 is 8.03%.

**II. Impact of adoption of Ind AS 116 is as follows:**

Particulars	Year ended	Year ended	Year ended
	31 March 2021	31 March 2020	31 March 2019 (Proforma)
Decrease in rent expense by	(26.90)	(28.92)	(20.17)
Increase in finance cost by	4.20	5.30	4.61
Increase in depreciation by	27.78	27.64	18.80
<b>Increase in total expense by</b>	<b>5.08</b>	<b>4.02</b>	<b>3.24</b>



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**Annexure VII****Notes to Restated Summary Statements****III. Practical expedients opted by the Group**

- (a) Separation of non-lease components from lease components.
- (b) Application of the standard on a portfolio of leases with similar characteristics.
- (c) Reassessment whether a contract contains a lease as at the date of initial application
- (d) Non- application of Ind AS 116 for the leases for which the remaining lease term is less than 12 months and are of low value items as on the date of initial application.
- (e) The Group has excluded initial direct costs from the measurement of the right of use asset at the date of initial application.
- (f) Use of hindsight in determining the lease term if the contract contains options to extend or terminate the lease.
- (g) *Lease concession:*

As per MCA notification dated 24 July 2020 and 16 June 2021 on IND- AS 116, a lessee may apply practical expedient and elect not to assess whether a rent concession is a lease modification if specified criteria are met. It applies to only those rent concessions occurring as a direct consequence of the COVID-19 pandemic and if all the following conditions are met:

- (a) the change in lease payments is substantially the same or less than the lease payments immediately preceding the change;
- (b) any reduction in lease payments affects only the payments originally due on or before the June 30, 2022; and
- (c) there is no substantive change to other terms and conditions of the lease.

The Group has disclosed the application of the practical expedient and the amount recognised in the profit or loss for the reporting period to reflect changes in lease payments that arise from rent concession in the note 30.

**B. Leases as a lessee****i. Right of use assets-**

The details of the right of use asset are given in Note 8.

**ii. Lease liabilities -**

	<u>Amount</u>
Adoption of IND AS 116 "Leases" as on 01 April 2018 (Proforma)	61.67
Additions	4.90
Accretion of interest	4.61
Payments	(20.17)
<b>Closing net carrying balance as on 31 March 2019 (Proforma)- (i)</b>	<b>51.01</b>
Current	28.92
Non-current	22.09
<b>Proforma Ind AS adjustments (Refer note (b) above)- (ii)</b>	<b>0.28</b>
<b>Balance as at 1 April 2019 (i+ii)</b>	<b>51.29</b>
Additions	38.16
Accretion of interest	5.30
Payments	(28.92)
<b>Closing net carrying balance as on 31 March 2020</b>	<b>65.83</b>
Current	29.59
Non-current	36.24
<b>Balance as at 1 April 2020</b>	<b>65.83</b>
Additions	0.92
Accretion of interest	4.20
Payments	(26.90)
Lease concession due to Covid (Refer note 30)	(2.69)
<b>Closing net carrying balance as on 31 March 2021</b>	<b>41.36</b>
Current	25.99
Non-current	15.37

The maturity analysis of lease liabilities is disclosed in Note 44.

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**Annexure VII****Notes to Restated Summary Statements****iii. Amounts recognized in the Statement of Profit and Loss**

	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019 (Proforma)
<b>Other expenses</b>			
Expense relating to short-term leases (included in other expenses)	4.02	6.81	8.17
Variable lease payments (included in other expenses)	0.37	0.07	-
<b>Depreciation expense</b>			
Depreciation of right of use lease asset	27.79	27.64	18.80
<b>Finance cost</b>			
Interest expense on lease liability	4.20	5.30	4.61

**iv. Amount recognised in statement of cash flow**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019 (Proforma)
<b>Cash flow from operating activities</b>			
i. Cash outflow for short term leases	4.02	6.81	8.17
ii. Cash outflow for variable lease payments	0.37	0.07	-
<b>Cash flow from financing activities</b>			
Principal component of cash outflow for long term leases	26.90	28.92	20.17
<b>Total cash outflow for leases</b>	<b>31.29</b>	<b>35.80</b>	<b>28.34</b>

**Note:**

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

**Annexure VII**

**Notes to Restated Summary Statements**

**47 First-time adoption of Ind AS**

These financial statements, for the year ended 31 March 2021, are the first financial statements, the Group has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2020, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2021, together with the comparative period data as at and for the year ended 31 March 2020, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at 1 April 2019, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2019 and the financial statements as at and for the year ended 31 March 2020.

The restated standalone financial statements for the year ended March 31, 2019 have been prepared on Proforma basis in accordance with the requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 and Guidance note on reports in Group prospectus issued by ICAI. For the purpose of Proforma restated standalone financial statements for the year ended March 31, 2019, the Group has followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions as per Ind AS 101) as initially adopted on the transition date i.e., April 1, 2019. In preparing these proforma financial statements, the Group has prepared opening Balance Sheet as at April 1, 2018, being proforma date of transition to Ind AS.

This note explains the exemptions availed by the Group in restating its previous GAAP financial statements, including the balance sheet as at April 1, 2018 (Proforma) and April 1, 2019 and the financial statements as at and for the year ended 31 March, 2019 (Proforma) and 31 March 2020.

**A. Exemptions applied**

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemption:

1. The Group has elected to continue with the carrying value for all of its Property, plant & equipment and Intangibles as recognized in its previous GAAP financial as deemed cost at the transition date.
2. The Group has elected to measure its investment in its joint ventures at its previous GAAP carrying value at the transition date.
3. Appendix D to Ind AS 101 requires the Group to measure a right of use asset at the date of transition to Ind AS. The Group (lessee) has chosen, on a lease by lease basis, to measure the right of use asset at an amount equal to the lease liability, adjusted by an amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS. For further details, refer Note 46.
4. The Group has elected to take the optional exemption under Ind AS 101 for business combinations and has not restated any past business combinations that occurred before the date of transition to Ind AS.
5. The Group has designated quoted equity instruments held as on the date of transition as fair value through Other comprehensive income and unquoted equity instruments as fair value through profit and loss.

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**Annexure VII****Notes to Restated Summary Statements****B. Exceptions:**

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

## Exceptions applied

Ind AS 101 specifies mandatory exceptions from retrospective application of certain requirements under IND AS for first-time adopters.

Following exceptions are applicable to the Group :

## I. Use of Estimates

The estimates at 1 April, 2018, 31 March 2019 and 31 March, 2020 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

## II. Impairment of financial assets

The Group has applied the exception related impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognised and compared that to the credit risk as at 1 April, 2019.

## III. Derecognition of financial assets and financial liabilities

The Group has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the transition to Ind AS.

## IV. Classification and measurement of financial assets

The Group has classified the financial assets in accordance to Ind AS 109 on the basis of the facts and circumstances that exist on the date of transition to Ind AS.

**C. Statement of reconciliation of assets, liabilities, equity and profit and loss as per previous GAAP and Ind AS****1 Reconciliation of total equity between previous GAAP and Ind AS for the year ended 31 March 2018**

Particulars	Footnotes	April 1, 2018 Proforma
<b>Equity as reported under previous GAAP</b>		937.20
<b>A. Impacts due to transition to Ind AS:</b>		
Fair value adjustments		
Security deposit	5	(0.29)
Investment in mutual funds	7	(0.04)
Unamortized borrowing cost de-recognised	8	(0.22)
Impact on revenue	10	(619.06)
Recognition of provision on trade receivables	11	(122.96)
Deferred tax impact on all Ind AS adjustments	4	235.32
<b>B. Impacts due to prior period adjustments:</b>		
Provision on consumption of spares reversed	12	69.51
Deferred tax impact on prior period adjustments	15	(17.49)
<b>Equity as per Ind AS</b>		<b>481.97</b>

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**Notes to Restated Summary Statements**

**2 Reconciliation of total equity between previous GAAP and Ind AS for the year ended 31 March 2019 (Proforma)**

**(i) Equity reconciliation**

Particulars	Footnotes	March 31, 2019 Proforma
<b>Equity as reported under previous GAAP</b>		<b>1,164.99</b>
<b>A. Impacts due to transition to Ind AS:</b>		
Fair value adjustments-		
Prepaid security deposit	5	(0.29)
Loss on fair valuation of investments	7	(0.05)
Unamortized borrowing cost written off	8	(19.29)
Impact on leases	6	(2.88)
Interest unwinding on security deposits	5	1.19
Impact on revenue	10	(574.05)
Recognition of provision on trade receivables	11	(170.09)
Deferred tax impact on Ind AS adjustments	4	192.74
<b>B. Impacts due to prior period adjustments:</b>		
Over accrual of bank guarantee charges now rectified	13	3.77
Provision on consumption of spares reversed	12	29.18
Under accrual of cost now rectified	14	(115.66)
Deferred tax impact on prior period adjustments	15	20.81
<b>Equity reported under Ind AS</b>		<b>530.37</b>

**(ii) Total comprehensive income reconciliation for the year ended 31 March 2019 (Proforma)**

Particulars	Footnotes	March 31, 2019 Proforma
<b>Profit after tax as per previous GAAP</b>		<b>221.34</b>
<b>A. Impacts due to transition to Ind AS:</b>		
Fair value adjustments-		
Loss on fair valuation of investments	7	(0.01)
Unamortized borrowing cost de-recognized	8	(19.07)
Remeasurement of employee benefit obligation	1,2	0.54
Impact on leases	6	(2.62)
Interest unwinding on security deposits	5	1.19
Impact on revenue	10	45.00
Recognition of provision on trade receivables	11	(47.13)
Deferred tax impact on Ind AS adjustments	4	(42.72)
<b>B. Impacts due to prior period adjustments:</b>		
Provision on consumption of spares reversed	12	(40.33)
Over accrual of bank guarantee charges now rectified	13	3.77
Under accrual of cost now rectified	14	(115.66)
Deferred tax impact on prior period adjustments	15	38.31
<b>Net profit after tax as per Ind AS</b>		<b>42.61</b>
Other Comprehensive Income (OCI)(net of taxes)	2, 9	5.79
<b>Total Comprehensive Income as per Ind AS</b>		<b>48.40</b>

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**Annexure VII****Notes to Restated Summary Statements****(iii) Cash flow reconciliation for the year ended 31 March 2019 (Proforma)**

	Footnotes	As per previous GAAP	Adjustments & regroupings	As per Ind AS
Net cash flow from/(used) operating activities		59.63	55.24	114.87
Net cash flow from/(used) investing activities		(85.83)	(44.57)	(130.40)
Net cash flow from/(used) financing activities		(71.27)	(16.89)	(88.16)
<b>Net increase in cash &amp; cash equivalents</b>	3	<b>(97.47)</b>	<b>(6.22)</b>	<b>(103.69)</b>
Cash and cash equivalents at the beginning of the year		113.46	-	113.46
Translation adjustments		-	6.22	6.22
<b>Cash and cash equivalents at the end of the year</b>		<b>15.99</b>	<b>-</b>	<b>15.99</b>

**3 Reconciliation of total equity between previous GAAP and Ind AS for the year ended 31 March 2020****(i) Equity reconciliation**

Particulars	Footnotes	March 31, 2020
<b>Equity as reported under previous GAAP</b>		<b>1,670.04</b>
<b>A. Impacts due to transition to Ind AS:</b>		
Fair value adjustments-		
Prepaid security deposit	5	(0.37)
Unamortized borrowing cost de-recognised	8	(14.10)
Impact on leases	6	(16.55)
Interest unwinding on security deposits	5	1.28
Investment in equity instruments measured at FVOCI	9	(0.41)
Impact on revenue	10	(736.49)
Recognition of provision on trade receivables	11	(218.46)
Deferred tax impact on all Ind AS adjustments	4	244.76
<b>B. Impacts due to prior period adjustments:</b>		
Over accrual of bank guarantee charges now rectified	13	11.60
Provision on consumption of spares reversed	12	4.49
Under accrual of cost now rectified	14	(290.92)
Deferred tax impact on prior period adjustments	15	69.17
<b>Equity reported under Ind AS</b>		<b>724.04</b>

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

CIN: U40109MH2008PLC187215

(All amount in Rs. millions, unless otherwise stated)

**Annexure VII****Notes to Restated Summary Statements****(ii) Total comprehensive income reconciliation for the year ended 31 March 2020**

Particulars	Footnotes	March 31, 2020
<b>Profit after tax as per previous GAAP</b>		<b>505.66</b>
<b>A. Impacts due to transition to Ind AS:</b>		
Fair value adjustments-		
Gain on fair valuation of investments	7	0.01
Unamortized borrowing cost written off	8	5.19
Remeasurement of employee benefit obligation	1,2	3.56
Impact on leases	6	(15.60)
Interest unwinding on security deposits	5	1.28
Impact on revenue	10	(162.44)
Recognition of provision on trade receivables	11	(48.37)
Deferred tax impact on all Ind AS adjustments	4	51.56
<b>B. Impacts due to prior period adjustments:</b>		
Provision on consumption of spares reversed	12	(24.69)
Over accrual of bank guarantee charges now rectified	13	7.83
Under accrual of cost now rectified	14	(175.26)
Deferred tax impact on prior period adjustments	15	48.35
<b>Net profit after tax as per Ind AS</b>		<b>197.08</b>
Other Comprehensive Income (OCI)(net of taxes)	2, 9	(4.92)
<b>Total Comprehensive Income as per Ind AS</b>		<b>192.16</b>

**(iii) Cash flow reconciliation for the year ended 31 March 2020**

	Footnotes	As per previous GAAP	Adjustments & regroupings	As per Ind AS
Net cash flow from/(used) operating activities		677.23	2.55	679.78
Net cash flow from/(used) investing activities		(8.17)	(1.34)	(9.51)
Net cash flow from/(used) financing activities		94.65	(25.77)	68.88
<b>Net increase in cash &amp; cash equivalents</b>	<b>3</b>	<b>763.71</b>	<b>(24.56)</b>	<b>739.15</b>
Cash and cash equivalents at the beginning of the year		15.99	-	15.99
Translation adjustments		-	(18.20)	(18.20)
Previous year regrouping adjustment	3	(42.76)	42.76	-
<b>Cash and cash equivalents at the end of the year</b>		<b>736.94</b>	<b>-</b>	<b>736.94</b>

The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements.

**Footnotes to the reconciliations between previous GAAP and Ind AS:****A. On transition to Ind AS:****1 Defined benefit plans obligation**

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to OCI. Thus, the remeasurement losses on defined benefit plans have been recognized in the OCI, net of tax.

**2 Other Comprehensive Income**

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

**3 Statement of cash flows**

The transition from Indian GAAP to Ind AS had an impact from (a) regrouping from bank balance to book overdraft and cash credit of Rs. 42.76 Mn and (b) Impact of transition to Ind AS 116 Leases.

**Annexure VII**

**Notes to Restated Summary Statements**

**4 Deferred Tax**

Deferred tax impact on the temporary differences arising on various transitional adjustments lead to temporary differences as on the transition date.

**5 Security deposits**

Under the previous GAAP, interest free security deposits are recorded at their transaction value. Under IND AS, all financial assets are required to be recognised at fair value. Accordingly, the Group has fair valued the security deposits under IND AS. Difference between fair value of security deposits and the carrying value (transaction value) as per Previous GAAP has been recognised as prepaid rent (added in the right to use assets).

**6 Leases**

As per Ind AS 116, the Group has adopted the modified retrospective approach for lease valuation where the Group is the lessee. In such cases, the right of use asset is equivalent to the present value of the lease payments due on the date of transition. The right of use asset is subsequently amortized over the lease term and the lease liability is unwinded over the period.

**7 Current Investments measured at FVTPL**

Under Ind AS, the investments are measured at the NAV value which is the fair value at each reporting date and the difference the NAV value and the carrying amount is taken to Statement of profit & loss.

**8 De-recognition of financial assets**

Under Ind AS, the financial assets should be derecognised when and only when: (a) contractual rights to the cash flow from financial assets expire or it transfers the financial assets and qualifies for derecognition. On derecognition of the financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less new liability assumed) shall be recognised in profit and loss. The unamortised borrowing capitalised under IGAAP has been de-recognised under Ind AS.

**9 Equity Investments measured at FVOCI**

The Group has elected to recognise changes in the fair value of investments in equity securities of Algonox Technologies Private Limited in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**10 Revenue**

The Group was recognising revenue from sale of hardware and software when the risk and reward in respect of ownership of goods is transferred (on billing to customer) under IGAAP. Revenue from services are recognised on billing to customer under IGAAP. On transition to Ind AS, the Group is required to recognise sale of hardware, software and installation as per percentage of completion method. Income from sale of services will be recognised over the period of service or point in time, based on type of the services, basis the appropriate method of measurement of revenue (Refer accounting policies on revenue for detailed explanation). Similarly, cost will also have implications because of matching of cost with revenue for respective type of services/ goods.

**11 Recognition of provision on trade receivables**

Under Indian GAAP, the Group has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss model (ECL) after considering future credit risk as well.

**B. Prior period adjustments:**

**12 Provision on consumption of spares reversed**

The Group fully provided for inventory of spares immediately upon purchase, by creating provision. Same is now rectified, inventory is derecognised based on actual consumption during the period.

**13 Over accrual of bank guarantee charges now rectified**

The Group erroneously recorded prepaid bank guarantee charges as an expense during the year. Same is now rectified, by treating this as prepaid expense.

**14 Under accrual of cost now rectified**

The mismatch of cost with revenue in prior periods on account of omission or timing difference, is now rectified. Where there was under accrual of cost, provision for costs are created.

**15 Deferred tax**

Deferred tax is recognised on the temporary differences arising on account of prior period adjustments.



**Annexure VII**

**Notes to Restated Summary Statements**

**48 Business combination**

**A Acquisition by the Group under slump purchase**

During the year ended 31 March, 2021, the Group has acquired the 'Splunk Big Data Analysis' business of Smartcirqls Infotech Pvt. Ltd., included but not limited to Splunk related software licence, product, warranty, AMC sale and services business along with relevant employees on a slump purchase basis through a business transfer agreement dated 6 November 2020.

The date of acquisition of control of the business is 6 November 2020.

The Group has recorded all the identifiable assets and liabilities acquired from the seller at the fair values as on the date of acquisition calculated by the purchase price allocation method.

**B Purchase consideration transferred**

As a part of consideration, the Group has agreed to pay Rs. 30.00 Mn as an upfront consideration, Rs. 10.00 Mn as a deferred consideration which is payable within one year and an amount Rs. 20.00 Mn as a contingent consideration which is payable after a year from the date of acquisition of the control. The Group has not incurred any transaction cost with respect to this business combination.

<b>Fair value of the purchase consideration transferred as on date of acquisition of control:</b>	<b>Amount</b>
Upfront consideration paid	30.00
Deferred consideration payable	9.80
Contingent consideration payable*	17.10
<b>Total purchase consideration</b>	<b>56.90</b>
Amount included in cash flow statement	30.00

**\*Contingent consideration payable in cash**

As the part of business combination, a contingent consideration has been agreed. This consideration is calculated as aggregate of the net service revenue consideration, service gross margin consideration and product margin consideration components. The fair value of the contingent consideration on the acquisition date was Rs. 17.10 Mn. The fair value increased to Rs. 18.30 Mn mainly due to time value of money. The contingent consideration is due for final measurement and payment after one year from date of acquisition. The maximum contingent consideration is Rs. 20 Mn.

**C Assets acquired and liabilities assumed**

The fair value of the assets acquired as at the date of acquisition were:

<b>Assets</b>	<b>Amount</b>
<b><u>Property plant and equipments</u></b>	
Computers	0.29
<b><u>Intangibles</u></b>	
Customer relationships	4.90
Non-Compete	4.10
<b>Total assets acquired</b>	<b>9.29</b>

There were no liabilities assumed in the business combination.

**D Goodwill on acquisition**

	<b>Amount</b>
<b>Total identifiable net assets at fair value</b>	<b>9.29</b>
Goodwill arising on acquisition (Refer note 7)	47.61
<b>Purchase consideration transferred</b>	<b>56.90</b>

The goodwill of Rs. 47.61 Mn comprises of value of acquired workforce and expected synergies arising from acquisition. No amount of goodwill is expected to be deductible for tax purposes.

The proforma effects of this business combination on Group's results were not material.

**Inspira Enterprise India Limited (formerly known as Inspira Enterprise India Private Limited)**

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(All amount in Rs. millions, unless otherwise stated)

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**Notes to Restated Summary Statements**

**49 Group information**

Sr. No.	Name of the Subsidiary / Associate Companies	Principal activities	Country of incorporation	Latest Date of Acquisition/ Incorporation	% of equity interest		
					31 March 2021	31 March 2020	31 March 2019 (Proforma)
<b>Subsidiaries:</b>							
1	Inspira Tech Asia Pte. Ltd. (Formerly known as Inspira IT Products Singapore Pte. Ltd.)	IT products and IT enabled services (Importers and exporters of IT and telecommunication equipment and hardware and provision of IT consultancy services)	Singapore	05-Nov-12	100%	100%	100%
2	Inspira IT Solutions and Services Pvt. Ltd.	IT products and IT enabled services (IT Solutions and related services including trading of finger print, IRIS scanning devices and other related accessories)	India	09-Nov-11	100%	100%	100%
3	Inspira MEA IT Solutions L.L.C.*	IT products and IT enabled services (Design services, cyber security architecture, portal, IT infrastructure, auditing & reviewing cyber risks, cyber risk management services, computer system housing services, communication equipment and software design)	U.A.E.	19-Jul-18	49%	49%	49%
4	Inspira Enterprise Inc.	IT products and IT enabled services (Cyber security services)	U.S.A.	11-Sep-19	100%	100%	-
5	Inspira Infotech Africa Ltd.	IT products and IT enabled services (Consultation income IT enabling)	Kenya	18-Jun-19	100%	100%	-
6	Inspira Enterprise IT Solution LLC *	IT products and IT enabled services (Sale of hardware and software)	U.A.E.	28-Mar-20	49%	49%	-
7	Inspira Tech Philippines Corporation	IT products and IT enabled services (Computer programming, consultancy and related activities)	Philippines	16-Mar-21	100%	-	-

\*The Group holds equity stake of 49% because of the local regulation's restriction. However in the economic substance, the Group is contractually entitled to 100% of profit and fully controls these entities. Hence, these entities are 100% consolidated and no non-controlling interest (NCI) is disclosed.

Note: During the FY 2020-21, the Group has formed an employee gratuity trust. Inspira will hold 100% in the shareholding of the trust. As on 31 March 2021, there is no share capital infused in the trust and no transactions have taken place.

**The holding company:**

The ultimate holding and controlling entity of Inspira Enterprise India Limited is Prakash Jain Family Trust holding 51.97% of equity share capital (w.e.f July 2019).

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**Annexure VII**

**Notes to Restated Summary Statements**

**Joint arrangement in which the Group is a Joint venturer:**

Sr. No.	Name of the joint venture	Principal activities	Country of incorporation	% equity interest		
				31 March 2021	31 March 2020	31 March 2019 (Proforma)
1	Manorama Infosolutions Private Limited	Business of integrated IT solution provider for Healthcare vertical globally	India	40%	40%	40%
2	ITS Planners and Engineers Private Limited	Business of computer and related services - software & hardware	India	36%	36%	36%
3	IRAM Technologies Private Limited	Business of printed circuit boards and related activities	India	30%	30%	30%
4	Yooil Infrastructure Private Limited*	Business of construction - development and execution (engineering, procurement, construction) of various infrastructure projects such as water supply, roads and bridges, etc.	India	-	-	25%

\* During the FY 19-20, the Group has sold stake in Yooil Infrastructure Pvt. Ltd. on 30 May 2019.

**50 Disclosure of additional information required under Schedule III:**

**a) As at and for the year ended 31st March 2021**

Sr. No	Name of the Company	Net Assets i.e. total assets minus total liabilities		Share in profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount (Rs. Mn)	As % of consolidated profit / loss	Amount (Rs. Mn)	As % of consolidated OCI	Amount (Rs. Mn)	As % of consolidated TCI	Amount (Rs. Mn)
<b>1 Parent Company</b>	Inspira Enterprise India Limited	98%	1,121.65	102%	367.43	45%	1.34	101%	368.77
<b>2 Subsidiaries</b>	Inspira IT Solutions and Services Pvt Ltd	0%	0.81	0%	(0.06)	0%	-	0%	(0.06)
	Inspira IT Products Singapore Pte Ltd	3%	33.89	-5%	(18.57)	6%	0.17	-5%	(18.41)
	Inspira Mea IT Solutions	-5%	(54.24)	-6%	(20.96)	39%	1.17	-5%	(19.79)
	Inspira Enterprise IT solutions LLC	-1%	(5.80)	-1%	(5.32)	3%	0.09	-1%	(5.23)
<b>3 Step down subsidiaries</b>	Inspira Enterprise INC	0%	(1.42)	0%	(0.82)	1%	0.03	0%	(0.79)
	Inspira Infotech Africa Ltd	0%	(1.12)	0%	1.77	6%	0.17	1%	1.95
	Inspira Tech Philippines Corporation	0%	0.50	0%	(0.55)	1%	0.03	0%	(0.52)
<b>4 Joint Ventures</b>	Manorama Infosolutions Private Limited	3%	30.99	1%	5.12	0%	-	1%	5.12
	ITS Planners and Engineers Private Limited	1%	16.90	3%	9.50	0%	-	3%	9.50
	IRAM Technologies Private Limited	0%	5.45	1%	4.04	0%	-	1%	4.04
<b>5 Inter-company elimination</b>		0%	(4.64)	6%	19.91	0%	0.01	5%	19.92
<b>Total</b>		<b>100%</b>	<b>1,142.97</b>	<b>100%</b>	<b>361.49</b>	<b>100%</b>	<b>3.01</b>	<b>100%</b>	<b>364.50</b>

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**Notes to Restated Summary Statements**

**b) As at and for the year ended 31st March 2020**

Sr. No	Name of the Company	Net Assets i.e. total assets minus total liabilities		Share in profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount (Rs. Mn)	As % of consolidated profit / loss	Amount (Rs. Mn)	As % of consolidated OCI	Amount (Rs. Mn)	As % of consolidated TCI	Amount (Rs. Mn)
<b>1 Parent Company</b>	Inspira Enterprise India Limited	96%	698.45	118%	231.97	59%	(2.91)	119%	229.05
<b>2 Subsidiaries</b>	Inspira IT Solutions and Services Pvt Ltd	0%	0.87	0%	(0.65)	0%	-	0%	(0.65)
	Inspira IT Products Singapore Pte Ltd	7%	52.30	-12%	(23.99)	-11%	0.54	-12%	(23.44)
	Inspira Mea IT Solutions	-5%	(34.45)	-8%	(16.51)	51%	(2.50)	-10%	(19.02)
	Inspira Enterprise IT solutions LLC	0%	(1.06)	-1%	(0.99)	1%	(0.06)	-1%	(1.06)
<b>3 Step down subsidiaries</b>	Inspira Enterprise INC	0%	(0.63)	-1%	(1.30)	2%	(0.08)	-1%	(1.38)
	Inspira Infotech Africa Ltd	0%	(3.07)	-2%	(3.02)	2%	(0.12)	-2%	(3.14)
	Inspira Tech Philippines Corporation	0%	-	0%	-	0%	-	0%	-
<b>4 Joint Ventures</b>	Manorama Infosolutions Private Limited	4%	25.87	3%	5.90	0%	-	3%	5.90
	ITS Planners and Engineers Private Limited	1%	7.40	4%	7.28	0%	-	4%	7.28
	IRAM Technologies Private Limited	0%	1.40	1%	1.06	0%	-	1%	1.06
	Yooil Infrastructure Private Limited	0%	-	0%	(0.12)	0%	-	0%	(0.12)
<b>5 Inter-company elimination</b>		-3%	(23.04)	-1%	(2.55)	-4%	0.21	-1%	(2.32)
<b>Total</b>		<b>100%</b>	<b>724.04</b>	<b>100%</b>	<b>197.08</b>	<b>100%</b>	<b>(4.92)</b>	<b>100%</b>	<b>192.16</b>

**c) As at and for the year ended 31st March 2019 (Proforma)**

Sr. No	Name of the Company	Net Assets i.e. total assets minus total liabilities		Share in profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount (Rs. Mn)	As % of consolidated profit / loss	Amount (Rs. Mn)	As % of consolidated OCI	Amount (Rs. Mn)	As % of consolidated TCI	Amount (Rs. Mn)
<b>1 Parent Company</b>	Inspira Enterprise India Limited	88%	467.89	143%	61.11	-7%	(0.41)	125%	60.70
<b>2 Subsidiaries</b>	Inspira IT Solutions and Services Pvt Ltd	0%	1.52	0%	(0.17)	0%	-	0%	(0.17)
	Inspira IT Products Singapore Pte Ltd	14%	75.74	-16%	(6.63)	109%	6.31	-1%	(0.32)
	Inspira Mea IT Solutions	-3%	(15.43)	-42%	(18.03)	-8%	(0.48)	-38%	(18.51)
	Inspira Enterprise IT solutions LLC	0%	-	0%	-	0%	-	0%	-
<b>3 Step down subsidiaries</b>	Inspira Enterprise INC	0%	-	0%	-	0%	-	0%	-
	Inspira Infotech Africa Ltd	0%	-	0%	-	0%	-	0%	-
	Inspira Tech Philippines Corporation	0%	-	0%	-	0%	-	0%	-
<b>4 Joint Ventures</b>	Manorama Infosolutions Private Limited	4%	19.97	12%	5.29	0%	-	11%	5.29
	ITS Planners and Engineers Private Limited	0%	0.13	0%	0.13	0%	-	0%	0.13
	IRAM Technologies Private Limited	0%	0.35	1%	0.35	0%	-	1%	0.35
	Yooil Infrastructure Private Limited	0%	0.12	0%	0.12	0%	-	0%	0.12
<b>5 Inter-company elimination</b>		-4%	(19.92)	1%	0.44	6%	0.37	2%	0.81
<b>Total</b>		<b>100%</b>	<b>520.37</b>	<b>100%</b>	<b>42.61</b>	<b>100%</b>	<b>5.79</b>	<b>100%</b>	<b>48.40</b>

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**Annexure VII****Notes to Restated Summary Statements****51 Events occurring Balance Sheet date**

- a. The outbreak of Coronavirus (COVID-19) pandemic globally and in India has caused and continues to cause significant disturbance and slowdown of economic activity. The Group has considered internal and external information while finalizing various estimates in relation to its financial statement up to the date of approval of the financial statements by the Board of Directors.

In calculating expected credit loss, the Group has also taken into account estimates of possible effect from the pandemic relating to COVID-19. The Group will continue to closely monitor any material changes to future economic conditions.

- b. On 1 June 2021, there has been an increase in the authorized share capital from Rs. 65 Mn to Rs. 390 Mn. Also, there has been a sub-division of face value from Rs. 10 per share to Rs. 5 per share. The revised share capital is as follows:

Particulars	No. of shares	Amount
Authorised Share Capital	7,80,00,000	390
Issued, subscribed and Paid up Capital	7,25,22,780	363

- c. On 1 June 2021, there has been an issuance of bonus shares at 5 equity shares for every 1 equity share held. The allotment of bonus shares has taken place on 28 June 2021.

- d. Pursuant to the split of shares and the issue of bonus shares, the capital structure of the Group has been changed from 28 June 2021 as follows:

Sr No.	Name of the Shareholder	Equity Shares	Face Value	percentage
1	Prakash Jain	1,88,55,888	Rs. 5/-	26%
2	Chetan Jain	6,00,000	Rs. 5/-	1%
3	Prakash Jain Family Trust	3,98,66,856	Rs. 5/-	55%
4	Manjula Jain Family Trust	1,32,00,000	Rs. 5/-	18%
5	Jigar Jain	12	Rs. 5/-	0%
6	Manjula Jain	12	Rs. 5/-	0%
7	Paridhi Jain	12	Rs. 5/-	0%
	<b>Total</b>	<b>7,25,22,780</b>		<b>100%</b>

- e. The Company was converted from a private limited to a public limited pursuant to a special resolution passed in the extraordinary general meeting of the Company held on 29 June 2021 and the name of the Company was changed to its present name "Inspira Enterprise India Limited" from formerly known as "Inspira Enterprise India Private Limited" and a fresh certificate of incorporation was issued by ROC on 14 July 2021.

- f. Mr. Raghavendra Jha has been appointed as the Chief Financial Officer (CFO) in terms of Section 203 of the Companies Act, 2013 with effect from 24 May, 2021.

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(All amount in Rs. millions, unless otherwise stated)

**Annexure VII**

**Notes to Restated Summary Statements**

- g.** Mr. Sachin Poptani has been appointed as the Company Secretary and Compliance Officer with effect from 2 August 2021.
- h.** Following independent directors have been appointed with effect from 2 June 2021:
1. Mr. Appen Menon
  2. Mr. Mathew Willian Bross
  3. Mr. Manju Agarwal
  4. Mr. Vijay Bhatt

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As per our report of even date attached

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

Firm Registration No.101049W/E300004

per Nilangshu Katriar  
Partner  
Membership No. 58814

Place: Mumbai  
Date: August 13, 2021

**For and on behalf of the board of directors of  
Inspira Enterprise India Limited**

Prakash Jain  
Executive Chairman  
DIN No: 00482154

Chetan Jain  
Managing Director  
DIN No: 00183390

Vijay N.Bhatt  
Independent Director  
& Chairman of Audit  
Committee  
DIN No: 00751001

Vishal Jain  
Joint Managing Director  
DIN No: 02991811

Manoj Kanodia  
Chief Executive Officer

Raghavendra Jha  
Chief Financial Officer

Sachin Poptani  
Company Secretary & Compliance Officer  
Membership No.- A12236

Place: Mumbai  
Date: August 13, 2021

## OTHER FINANCIAL INFORMATION

### Accounting Ratios

The accounting ratios derived from Restated Consolidated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(₹ in million)

Sr. No.	Particulars	Reference	For the years ended		
			March 31, 2021	March 31, 2020	March 31, 2019 (proforma)
1	Restated profit after tax (₹ in million)	A	361.49	197.08	42.61
2	Less: Dividend for the year including tax thereon (₹ in million)	B	-	-	-
3	Net profit available to equity shareholders	C = A + B	361.49	197.08	42.61
4	Number of equity shares outstanding at the end of the year	D	72,522,780	72,522,780	72,522,780
5	Number of compulsory convertible preference shares outstanding at the end of the year	E	0.00	0.00	0.00
6	Weighted average number of equity shares considered for calculating basic earnings per share	F	72,522,780	72,522,780	72,522,780
7	Weighted average number of equity shares considered for calculating diluted earnings per share	G	72,527,008	72,522,780	72,522,780
8	Restated net worth (refer note 3 below) (₹ in million)	H	1,142.97	724.04	530.37
9	<b>Accounting ratios:</b>				
	Basic earnings per share (₹)	C / F	4.98	2.72	0.59
	Diluted earnings per share (₹)	C / G	4.98	2.72	0.59
	Return on net worth (%)	A / H	31.63%	27.22%	8.03%
	Net asset value per share (₹)	H / D	15.76	9.98	7.31
	EBITDA	-	521.95	399.22	262.81

#### Notes:

1. The ratios have been computed as below:

a) Basic Earnings per share (Rs.)	$\frac{\text{Restated net profit available to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year (Refer Note 4)}}$
b) Diluted Earnings per share (Rs.)	$\frac{\text{Restated net profit available to equity shareholders}}{\text{Weighted average number of dilutive equity shares (Refer Note 7)}}$
c) Return on net worth (%)	$\frac{\text{Restated profit after tax}}{\text{Restated net worth at the end of the year}}$
d) Net asset value per share (Rs.)	$\frac{\text{Restated net worth at the end of the year}}{\text{Total number of equity shares outstanding at the end of the year}}$

2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. The weighted average number of shares outstanding excludes shares held in trust.

3. Net worth includes Equity share capital , Securities Premium , Retained earnings and Other reserves .

4. Earnings per share calculations are in accordance with Ind-AS 33 - Earnings per share.

5. Weighted average number of equity shares considered for the computation of diluted Earnings per Share are adjusted for the Dilutive portion of outstanding Employee Stock Options and Optionally convertible cumulative redeemable preference , as applicable.

6. EBITDA is calculated as restated profit for the year/ period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income.

### ***Other financial statements***

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements for Fiscals 2021, 2020 and 2019 (collectively, the “**Audited Financial Statements**”) in accordance with the SEBI ICDR Regulations are available on our website at:

[https://www.inspiraenterprise.com/investors/Standalone\\_Financial\\_Statements\\_2020-21.pdf](https://www.inspiraenterprise.com/investors/Standalone_Financial_Statements_2020-21.pdf),  
[https://www.inspiraenterprise.com/investors/Standalone\\_Financial\\_Statements\\_2019-20.pdf](https://www.inspiraenterprise.com/investors/Standalone_Financial_Statements_2019-20.pdf),  
[https://www.inspiraenterprise.com/investors/Standalone\\_Financial\\_Statement\\_2018\\_-19.pdf](https://www.inspiraenterprise.com/investors/Standalone_Financial_Statement_2018_-19.pdf);  
[https://www.inspiraenterprise.com/investors/Inspira\\_Tech\\_Asia\\_Pte\\_Ltd\\_-\\_Signed\\_FS\\_-\\_FY\\_2020-21.pdf](https://www.inspiraenterprise.com/investors/Inspira_Tech_Asia_Pte_Ltd_-_Signed_FS_-_FY_2020-21.pdf);  
[https://www.inspiraenterprise.com/investors/Inspira\\_Tech\\_Asia\\_Pte\\_Ltd\\_-\\_Signed\\_FS\\_-\\_FY\\_2019-20.pdf](https://www.inspiraenterprise.com/investors/Inspira_Tech_Asia_Pte_Ltd_-_Signed_FS_-_FY_2019-20.pdf);  
[https://www.inspiraenterprise.com/investors/Inspira\\_Tech\\_Asia\\_Pte\\_Ltd\\_-\\_Signed\\_FS\\_-\\_FY\\_2018-19.pdf](https://www.inspiraenterprise.com/investors/Inspira_Tech_Asia_Pte_Ltd_-_Signed_FS_-_FY_2018-19.pdf).

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence (collectively, the “**Investor Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Investor Group or any of its advisors, nor Managers or the Promoter Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.



## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2021, derived from the Restated Consolidated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections "Management's Discussion and Analysis of Financial Position and Results of Operations", "Financial Information" and "Risk Factors" on pages 328, 219 and 31, respectively.

*(₹ in million, except ratios)*

Particulars	Pre-Offer as at March 31, 2021	As adjusted for the proposed Offer*
<b>Total Borrowings</b>		
Current borrowings	638.13	[●]
<b>Total Borrowings (A)</b>	<b>638.13</b>	<b>[●]</b>
<b>Total Equity</b>		
Equity share capital <sup>(^)</sup>	60.44	[●]
Other Equity	1082.53	[●]
<b>Total Equity (B)</b>	<b>1142.97</b>	<b>[●]</b>
<b>Ratio: Total Borrowings<sup>@</sup> / Total Equity</b>	<b>0.56:1</b>	<b>[●]</b>

\* To be updated upon completion of the Offer and finalization of the Offer Price

<sup>(^)</sup>Pursuant to a resolution of our shareholders dated June 1, 2021, each equity share of our Company of face value of ₹ 10 was sub-divided into 2 equity shares of face value of ₹ 5 each and accordingly 6,043,565 equity shares of our Company of ₹10 each were split into 12,087,130 Equity Shares of ₹ 5 each.. Further, the Company also allotted 60,435,650 bonus Equity Shares in the ratio of 5 Equity Shares for every 1 Equity Share held, on June 28, 2021.

<sup>@</sup> Total borrowings consist of current borrowings as per our Restated Consolidated Financial Statements

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Consolidated Financial Statements on page 219.*

*This Draft Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 22. Also read "Risk Factors" and "- Significant Factors Affecting our Results of Operations and Financial Condition" on pages 31 and 332, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021, included herein is derived from the Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Statements" on page 219.*

*Unless the context otherwise requires, in this section, references to "we", "us", or "our" refers to Inspira Enterprise India Limited on a consolidated basis and references to "the Company" or "our Company" refers to Inspira Enterprise India Limited on a standalone basis.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Global Information Technology Services Market" dated August 2021 (the "F&S Report"), prepared and issued by Frost & Sullivan and exclusively commissioned and paid for by us in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate." on page 48. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 19.*

### OVERVIEW

We are a leading digital transformation company in India with a focus on cyber security, and a global presence across several verticals (*Source: F&S Report*). We provide cyber security and digital transformation services to our clients and have executed large cyber security transformation projects, infrastructure and digital transformation projects for various institutions in India. We have also expanded our operations to access other geographies over the years through our immediate and step-down subsidiaries, and as of March 31, 2021, were present in six countries, including India, USA and across Southeast Asia, the Middle East and Africa.

We have been ranked among the top 250 MSSP providers globally by MSSP Alert in the year 2020, and mentioned among 35 MSSP providers in Forrester's Now Tech: Managed Security Services in Asia Pacific, Q4 2020 report. Through our wide range of offerings across multiple verticals and geographies, we possess capabilities spanning the digital lifecycle of services ranging from consultation, architecture, solution design and implementation, to monitoring and providing managed services. For instance, we have previously provided consulting and designing services to a bank, and built an entire G-SOC, revamping its IT infrastructure to enhance advanced banking solutions, and strengthen IT security infrastructure to improve compliance with applicable regulations.



We classify our business into the following lines of business: (i) Cyber Security; (ii) Digital Solutions; and (iii) Integrated Enterprise Solutions. The following table sets forth disaggregated information as per Ind AS 115 on the revenue from contracts with customers by lines of business and the percentage of our total revenue from contracts with customers they represent for Fiscal 2019, 2020 and 2021:

	Fiscal					
	2019 (Proforma)		2020		2021	
	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)
Cyber Security	1,644.18	26.32%	2,132.37	27.97%	3,545.27	44.16%
Digital Solutions	2,064.32	33.04%	3,158.58	41.43%	2,261.92	28.18%
Integrated Enterprise Solutions	2,539.22	40.64%	2,332.36	30.60%	2,220.40	27.66%
<b>Total Revenue from Contracts with Customers</b>	<b>6,247.72</b>	<b>100.00%</b>	<b>7,623.31</b>	<b>100.00%</b>	<b>8,027.59</b>	<b>100.00%</b>

Note:

We consider our offerings into three major line of business (LOB) that is cyber security, digital solution and integrated enterprise solutions. For the purpose of the above identification of the LOB, we consider the service offering to the LOB on which it predominantly pertains to (more than 50% of the contract value) and does not split the individual contracts. Contracts not falling or not predominantly pertaining under cyber security or digital solutions have been categorised as integrated enterprise solutions.

- **Cyber Security:** We offer integrated portfolio of enterprise security services to deliver large-scale cyber security transformation projects, enabling our clients to effectively manage risk and defend against emerging threats. Our key offerings include (i) cyber security transformation services, (ii) managed security services through our Global Security Operations Center (“GSOC”), (iii) governances, risk and compliance services, (iv) cyber security integration services, and (v) identity and access management (IAM) services. We assist our clients to assess their exposure to risks, extend our services and resources, help detect and respond to threats, and streamline our client’s security priorities to accelerate their business transformation.
- **Digital Solutions:** Our digital solutions are offered through ANKIOS®, a converged architecture designed to create opportunities through disruptive digital technologies. Key offerings include (i) smart solutions including for ‘Smart City’ projects and digital healthcare solutions, (ii) cloud services, which includes private cloud deployment on software defined and hyper-converged infrastructure, public cloud and cloud MSP (iii) big data and analytics such as client-centric services of segmentation, profiling, fraud and risk analytics, IT operational analytics, web analytics, IT security analytics, and (iv) managed analytics as a service.

- **Integrated Enterprise Solutions:** Integrated enterprise solutions comprises the following: (i) network engineering services that includes network infrastructure solutions, (ii) infrastructure platform as a service involving traditional infrastructure solutions and hosted data centre solutions, and (iii) infrastructure management services that includes a network operating centre and integrated operations centre for management of digital infrastructure. Network engineering services and infrastructure platform services involve designing, developing and managing digital infrastructure, and we offer consulting and assessment services, as well as integration and migration services as part of these solutions.

We have gained considerable experience in each of these lines of business by collaborating with our clients across verticals such as BFSI, TMT, industrials, and e-governance, to create a foundation for the evolution of offerings across verticals. We are one of the top three vendors for BFSI cyber security in India and have provided services to 9 out of the 10 largest private banks in India (in terms of assets as of March 31, 2021) (*Source: F&S Report*), and to various public sector banks in India. Key clients include National Payments Corporation of India, Indian Bank and Canara Bank, among others. We leverage our relationships with prominent technology partners, including key technology suppliers such as Juniper, Fortinet, Palo Alto to provide our range of solutions. Our offerings have also been recognized through various awards, including the 2021 Splunk APAC Rookie Partner of the Year, Skoch Award for “Swasth Bharat Platinum- Municipal Corporation of Greater Mumbai for Hospital Management Information System” in 2019, the Partner Performance Excellence Award 2019 for “Rising Star Partner of the Year” by RSA, and “CRN Excellence Award 2019 Hyper Converged Infrastructure (North & East)” by Nutanix.

For further information, see “History and Certain Corporate Matters” on page 174.

The following table sets forth disaggregated information as per Ind AS 115 on the revenue from contracts with customers by customer-verticals for Fiscal 2019, 2020 and 2021:

	Fiscal					
	2019 (Proforma)		2020		2021	
	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)	Amount (₹ million)	Percentage of Total (%)
BFSI	2,334.77	37.37%	2,047.69	26.86%	3,348.07	41.71%
E-governance	1,066.57	17.07%	1,435.23	18.83%	1,533.65	19.10%
TMT	2,295.92	36.75%	2,224.18	29.18%	1,377.45	17.16%
Industrials	324.38	5.19%	1,603.02	21.03%	1,583.55	19.73%
Others	226.08	3.62%	313.19	4.10%	184.87	2.30%
<b>Total Revenue from Contracts with Customers</b>	<b>6,247.72</b>	<b>100.00%</b>	<b>7,623.31</b>	<b>100.00%</b>	<b>8,027.59</b>	<b>100.00%</b>

We have also expanded our operations to access other geographies over the years through our immediate and step-down subsidiaries, and as of March 31, 2021, we are present in six countries, including India, USA and across Southeast Asia, the Middle East and Africa.

We seek to fulfil our clients’ business requirements and provide them with viable, advanced and transformative solutions. In Fiscal 2021, we had 235 active clients, of which we engaged with 69 clients in each of the last three Fiscals. Revenue from these 69 clients was ₹ 5,260.96 million, ₹ 3,623.17 million, and ₹ 5,116.18 million, and represented 84.21%, 47.53% and 63.73% of our revenue from contracts with customers in Fiscals 2019, 2020 and 2021, respectively, reflecting a high degree of client retention. We operate through long-term bundled contracts with a solution-led approach to strengthen client engagements, and through a pay-per-use model to acquire new clients. The average revenue per client has increased since Fiscal 2019, with the revenue for our top five clients amounting to ₹ 3,200.83 million, ₹ 2,815.52 million, and ₹ 3,226.10 million in Fiscals 2019, 2020, and 2021, respectively representing 51.23%, 36.93% and 40.19% of our revenue from contracts with customers in these periods, respectively.

We have a strong track record of revenue growth and profitability. The following table sets forth certain key performance indicators for the periods indicated:

	As of and for the years ended March 31			CAGR (Fiscal 2019 to Fiscal 2021)
	2019 (Proforma)	2020	2021	
	(₹ million, except percentages)			
Revenue from contracts with customers	6,247.72	7,623.31	8,027.59	13.35%
Restated profit for the year	42.61	197.08	361.49	191.27%
PAT Margin <sup>(1)</sup>	0.68%	2.59%	4.50%	156.96%
EBITDA <sup>(2)</sup>	262.81	399.22	521.95	40.93%
EBITDA Margin <sup>(3)</sup>	4.21%	5.24%	6.50%	24.33%
ROE <sup>(4)</sup>	8.03%	27.22%	31.63%	98.41%
ROCE <sup>(5)</sup>	49.96%	56.73%	50.80%	0.83%

Notes:

1. PAT Margin is calculated as restated profit after tax as a percentage of revenue from contract with customers
2. EBITDA is calculated as restated profit for the year/ period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income.
3. EBITDA Margin is calculated as EBITDA as a percentage of revenue from contract with customers
4. ROE is calculated as restated profit for the year/ period divided by total equity
5. ROCE is calculated as EBIT divided by Capital Employed
6. Capital Employed is calculated as total assets less current liabilities and non-current liabilities

We attribute our growth to the culture of innovation that has been fostered by our entrepreneurial Promoters, Prakash Jain, Vishal Jain and Chetan Jain, and supported by our employee base of over 650 employees as of March 31, 2021. The quality of our people underpins our success and distinguishes us in terms of the value proposition we deliver to our clients. We focus on attracting, developing and retaining talented IT professionals, with over 60% of our personnel being qualified science graduates and engineers, as of March 31, 2021.

## PRESENTATION OF FINANCIAL INFORMATION

The Restated Consolidated Financial Statements of our Company together with Subsidiaries and Joint Ventures which comprises the restated consolidated statement of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 (proforma); the restated consolidated statement of profit and loss (including other comprehensive income); the restated consolidated statement of changes in equity; the restated consolidated cash flow statement for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019 (proforma); the summary statement of significant accounting policies, and other explanatory information have been derived from the audited consolidated financial statements of the Company together with Subsidiaries and Joint Ventures as at and for the year ended March 31, 2021 prepared in accordance with Ind AS and as at and for the year ended March 31, 2020 and 2019 prepared in accordance with Indian GAAP and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI.

The Restated Consolidated Financial Statements have been compiled from:

- The audited consolidated financial statements as at and for the year ended March 31, 2021 which are prepared by the Group in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended and presentation requirements of Division II of Schedule III to the Companies Act, 2013.
- The audited consolidated financial statements as at and for the year ended March 31, 2020 which were prepared in accordance with Indian GAAP at the relevant time. We have adjusted the financial information for the year ended March 31, 2020 included in such Indian GAAP consolidated financial statements using recognition and measurement principles of Ind AS and have included such adjusted financial information as comparative financial information in the consolidated financial statements for the year ended March 31, 2021.
- The audited consolidated financial statements as at and for the year ended March 31, 2019, which were prepared in accordance with accounting principles generally accepted in India (“Indian GAAP”) at the relevant time. The proforma consolidated summary statements for the year ended March 31, 2019 have been prepared by us from the audited consolidated financial statements for the year ended March 31, 2019 prepared under Indian GAAP.

The consolidated financial statements for the year ended March 31, 2021 are the first consolidated financial

statements that we have prepared in accordance with Ind AS. The date of transition is April 1, 2019. The transition to Ind AS has been carried out from accounting standards notified under section 133 of the Companies Act, 2013 read together with the Companies (Accounting Standards) Amendment Rules, 2006 (as amended from time to time) ('Indian GAAP'), which is considered as the previous GAAP, for purposes of Ind AS 101.

The proforma consolidated financial statements of the Group as at and for the year ended March 31, 2019, is prepared in accordance with the requirements of SEBI circular and the Guidance Note. For the purpose of proforma financial statements for the year ended March 31, 2019, we have followed the same accounting policy and accounting policy choices (as per Ind AS 101- mandatory exception and optional exemptions) as initially adopted on transition date April 1, 2019. Accordingly, suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads are made to the proforma consolidated financial statements for the year ended March 31, 2019. The financial information as of and for the year ended March 31, 2019 as included herein and elsewhere in this Draft Red Herring Prospectus is based on or derived from the proforma consolidated financial statements for the year ended March 31, 2019.

For further information on the basis of preparation of the Restated Consolidated Financial Statements in accordance with Ind AS 1 read with Ind AS 101 and SEBI ICDR regulations, see "*Restated Consolidated Financial Statements – Annexure V – 3. Summary of Significant Accounting Policies*" on page 239.

## **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

### ***Expansion of client base and new sales to existing clients***

Client relationships are the core of our business. As of March 31, 2019, 2020 and 2021, we had 209, 203 and 235 active clients (i.e. those invoiced in the last 12 months), respectively. We believe we have a substantial opportunity to grow our client base. We have invested, and intend to continue to make investments, to enhance the expertise of our sales and marketing team within our key industry verticals of BFSI, industrials, TMT, and e-governance services. We strengthened our sales and marketing headcounts from 67 as of March 31, 2019 to 74 as of March 31, 2021. We intend to continue to increase our investment in sales and marketing, as we further expand our sales teams, increase our marketing activities and grow our international operations.

We intend to further grow our sales force to provide broader client coverage. Further, our ability to grow our client base and drive market adoption of our services is also affected by the pace at which organizations digitally transform. We believe the degree to which prospective clients recognize the need for our cyber-security and digital transformation services to maximize their business process would lead to a higher budget allocation for purchasing and engaging our services. This will drive our ability to acquire new clients and increase sales to existing clients which, in turn, will drive our revenue growth and will affect our future financial performance.

As our client relationships mature and deepen, we seek to maximize our revenues and profitability by expanding the scope of our offerings with the objective of winning more business from our clients across all our lines of business. Many of our existing clients typically expand their scope of our services by either expanding our services from one location to additional locations in which they operate, or by gradually engaging us for other services to aid in their digital transformation journey. In Fiscal 2021, we had 235 active clients, of which we engaged with 69 clients in each of the last three Fiscals. Revenue from these 69 clients was ₹ 5,260.96 million, ₹ 3,623.17 million, and ₹ 5,116.18 million, and represented 84.21%, 39.93% and 63.73% of our revenue from contracts with customers in Fiscals 2019, 2020 and 2021, respectively, reflecting a high degree of client retention. We believe that our ability to strengthen our existing client relationships will be an important factor in our future growth and in our ability to continue increasing our profitability.

### ***Revenue from other geographies and verticals***

In Fiscals 2019, 2020 and 2021, our revenue in India represented 98.16%, 96.37% and 99.07%, respectively, of our revenue from contracts with customers, while our revenue outside India represented 1.84%, 3.63% and 0.93%, respectively, of our revenue from contracts with customers. Both, revenue and profitability are typically higher if we deliver solutions overseas compared to in India. Accordingly, the mix of international and domestic services has an impact on our ability to achieve higher profit margins.

Our revenue growth and margin performance depends on the potential demand for our solutions and from the verticals in which we operate. As particular markets experience more (or less) growth, we would expect these

trends to be reflected in our results in those areas. For example, due to the onset of COVID-19 and related remote working arrangements, enterprises have become more vulnerable to cyber-attacks, thereby accelerating the need to engage cyber-security vendors. The degree of adoption of digitization and the corresponding need for cyber-security depends on the digital maturity of the market/ vertical, regulatory compliances such as those in the BFSI vertical, and prioritization of IT budgets on cyber-security spends compared to legacy solutions.

One of our business strategies is to increase our growth in certain key verticals in select mature markets. In particular, we have a strong presence across regions in the BFSI verticals and we intend to continue to expand our client base in these verticals in the mature markets.

### ***Employees benefit expenses***

Our success depends in large part on our ability to attract, retain and train our employees, in particular highly skilled engineering professionals. Our employee base increased from 249 as of March 31, 2019 to 368 as of March 31, 2020, and 698 as of March 31, 2021, respectively. Employee benefits is a principal component of our total expense and was ₹ 757.44 million, ₹ 495.89 million and ₹ 762.29 million in Fiscals 2019, 2020, and 2021, respectively, representing 12.44%, 6.71% and 9.94%, of our total expenses, respectively. Our employee benefits consists of salaries, wages and bonus, employee stock option plan, compensation expense, contribution to provident fund, gratuity expense and staff welfare expenses.

Salaries and wages in India, including in the services industry, have historically been lower than those in USA, Europe and other developed economies. However, if these costs in India continue to increase at a rate faster than in USA, Europe and other developed economies due to competitive pressures, we may experience a greater increase in our employee costs, thereby eroding one of our principal cost advantages over competitors in USA, Europe and other developed economies. In addition, our ability to manage our employee costs will also be heavily impacted by our international and domestic resource mix. In addition, as we continue to invest in the recruitment and retention of sales staff in line with our growth strategies, we are likely to incur costs in relation to our market penetration, sales and marketing initiatives, and for the recruitment of sales employees located in India and overseas.

### ***Competition and Pricing***

Our business is highly competitive, and our success is dependent upon our ability to compete against other cyber-security and IT companies, as well as service providers, including some that have greater resources than we have. Some of our global competitors have longer operating histories, greater financial, technical, product development and marketing resources and greater name recognition. Such competitors could use these resources to market or develop solutions that are more effective or less costly than our solutions or that could render any or all of our solutions obsolete. Competitive pressures could also affect the pricing of our solutions. Greater competition for particular solutions could have a negative impact on pricing. We will continue to seek to distinguish our offerings by providing quality solutions at competitive prices. In addition, we may face pressure to provide higher sales incentive to our channel partners or increase our advertising and sales promotion expenses significantly, which would adversely affect our profitability.

## **SIGNIFICANT ACCOUNTING POLICIES**

Our Restated Consolidated Financial Statements have been derived from our audited consolidated financial statements as at and for the financial year ended March 31, 2021, prepared in accordance with Ind AS and our audited consolidated financial statements as at and for the year ended March 31, 2020 and 2019 prepared in accordance with Indian GAAP and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI.

### **Basis of Preparation**

The Restated Consolidated Financial Statements of the Company comprise of the Restated Consolidated Financial Statements of Assets and Liabilities of the Group as at March 31, 2021, March 31, 2020 and March 31, 2019 (Proforma), the related Restated Consolidated Summary Statements of Profit & Loss (including Other Comprehensive Income), the Restated Consolidated Summary Statements of Changes in Equity, the Restated Consolidated Summary Statements of Cash Flows for each year ended March 31, 2021, March 31, 2020, and March 31, 2019 (Proforma) and the Summary of Significant Accounting Policies and explanatory notes

(hereinafter collectively referred to as “**Restated Consolidated Financial Statements**”). These Statements have been prepared in accordance with the requirements of: Sub-section (1) of Section 26 of Chapter III of the Companies Act 2013 (the “Act”) and; the SEBI ICDR Regulations; and Guidance Note on Report in company prospectus (Revised 2019) issued by the ICAI (referred to as the Guidance Note).

The Restated Consolidated Financial Statements have been compiled from:

- The audited consolidated financial statements as at and for the year ended March 31, 2021 which are prepared by the Group in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended and presentation requirements of Division II of Schedule III to the Companies Act, 2013.
- The audited consolidated financial statements as at and for the year ended March 31, 2020 which were prepared in accordance with accounting principles generally accepted in India (“Indian GAAP”) at the relevant time. We have adjusted the financial information for the year ended March 31, 2020 included in such Indian GAAP consolidated financial statements using recognition and measurement principles of Ind AS and have included such adjusted financial information as comparative financial information in the consolidated financial statements for the year ended March 31, 2021.
- The audited consolidated financial statements as at and for the year ended March 31, 2019, which were prepared in accordance with accounting principles generally accepted in India (“Indian GAAP”) at the relevant time. The proforma consolidated summary statements for the year ended March 31, 2019 have been prepared by us from the audited consolidated financial statements for the year ended March 31, 2019 prepared under Indian GAAP.

The consolidated financial statements for the year ended March 31, 2021 are the first consolidated financial statements that we have prepared in accordance with Ind AS. The date of transition is April 1, 2019. The transition to Ind AS has been carried out from accounting standards notified under section 133 of the Act read together with the Companies (Accounting Standards) Amendment Rules, 2006 (as amended from time to time) (“Indian GAAP”), which is considered as the previous GAAP, for purposes of Ind AS 101. For further information on the transition to Ind AS, see “*Restated Consolidated Financial Statements – Note 47*” on page 313.

### **Basis of Consolidation**

The Restated Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2021. Control is achieved when we are exposed, or have rights, to variable returns from our involvement with the investee and have the ability to affect those returns through our power over the investee. Specifically, we control an investee if and only if we have: power over the investee (i.e. existing rights that give us the current ability to direct the relevant activities of the investee); exposure, or rights, to variable returns from our involvement with the investee, and the ability to use our power over the investee to affect our returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when we have less than a majority of the voting or similar rights of an investee, we consider all relevant facts and circumstances in assessing whether we have power over an investee, including: the contractual arrangement with the other vote holders of the investee; rights arising from other contractual arrangements; our voting rights and potential voting rights; and the size of our holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

We re-assess whether or not we control an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when we obtain control over the subsidiary and ceases when we lose control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated Financial Statements from the date we gain control until the date we cease to control the subsidiary.

Restated Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member uses accounting policies other than those adopted in the Restated Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate



adjustments are made to such member's financial statements in preparing the Restated Consolidated Financial Statements to ensure conformity with our accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of our Company i.e., year ended on 31 March. When the end of the reporting period of our Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

## **Summary of Significant Accounting Policies**

### ***Current versus non-current classification***

We present assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in a normal operating cycle; held primarily for the purpose of trading; expected to be realized in a normal operating cycle or within twelve months after the reporting period in cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in a normal operating cycle or due to be settled within twelve months after the reporting period; it is held primarily for the purpose of trading; there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. We have identified a period of twelve months as its operating cycle.

### ***Investment in Joint Ventures***

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether joint control is similar to those necessary to determine control over the subsidiaries. Our investments in our joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in our share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects our share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of our OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, we recognise our share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between us and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of our net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that we have incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of our share of profit or loss of a joint venture is shown on the face of the statement of profit and loss outside operating profit. The financial statements of the joint venture are prepared for the same reporting period as ours. When necessary, adjustments are made to bring the accounting policies in line with ours. After application of the equity method, we determine whether it is necessary to recognise an impairment loss on our investment in the joint venture. At each reporting date, we determine whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, we calculate the amount of impairment as

the difference between the recoverable amount of the joint venture and its carrying value, and then recognise the loss as 'Share of profit of a joint venture' in the statement of profit and loss.

Upon loss of joint control over the joint venture, we measure and recognise any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

### ***Property, Plant and Equipment***

Property, Plant & Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including import duties and other non-refundable taxes and levies, borrowing costs if capitalization criteria are met, and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

If significant parts of an item of property, plant and equipment have different useful lives, then those are accounted as separate items (major components) of property, plant and equipment. Cost of Item of property, plant and equipment not ready for intended use as on the balance sheet date, is disclosed as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under Other non-current assets.

Gains or losses arising from derecognition of Property, Plant & Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Subsequent expenditure related to an item of Property, Plant & Equipment is included in the asset's carrying amount or recognized as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to us and cost of the item can be measured reliably.

### **Depreciation on Property, Plant & Equipment (PPE)**

Depreciation is systematic allocation of depreciable amount of PPE over its useful life and is provided on a straight line basis over the useful lives as prescribed in Schedule II to Companies Act, 2013 except in respect of the certain categories of assets, where the life of the assets has been assessed based on internal technical estimate, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset and past history of replacement and anticipated technological changes.

Leasehold improvements are amortized over the period of the lease. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. As per our policy, PPE, having value of less than ₹ 5,000 are fully charged to the statement of profit and loss in the year of acquisition.

#### ***Transition to Ind AS***

On transition to Ind AS, we have elected to continue with the carrying value of all our property, plant and equipment recognized as at 1 April 2019 measured as per the previous GAAP and use that carrying value as its deemed cost.

### ***Intangible assets***

Intangible assets acquired separately are measured on initial recognition at cost. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Amortisation is calculated to write off the cost of intangible assets less their

estimated residual values using the straight-line method over their estimated useful lives and is generally recognised as profit or loss.

Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Software expenses include expenditure on licenses for various office applications which are amortised based on useful life. Customer relationships and non-compete are acquired in business combination.

#### *Transition to Ind AS*

On transition to Ind AS, we have elected to continue with the carrying value of all our intangible assets recognized as at 1 April 2019 measured as per the previous GAAP and use that carrying value as its deemed cost.

#### **Revenue recognition**

We derive revenues primarily from delivery of value-added digital transformation solutions in the Security, Analytics, Block chain, Big Data and Cloud domain as well as in system integration of IT products and related services.

Upon first-time adoption, we recognised revenue on date of transition, using the cumulative catch-up transition method, i.e. it applied Ind AS 115 to contracts that were not completed as at 1 April 2018.

Revenue from contract with customer is recognized upon the transfer of control of promised products or services to customers in an amount that reflects the consideration that is expected to receive in exchange for those products or services. We present revenues net of indirect taxes in its statement of Profit and loss. We have concluded that it is generally the principal in its revenue arrangements.

#### ***Supply, Installation, Testing and Commissioning (SITC)***

In such an arrangement, where the performance obligations are satisfied over time and where there is no uncertainty as to the measurement or collectability of consideration, it is recognized as per the percentage-of completion method (POCM). When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. POCM is determined based on project cost incurred to date as a percentage of total estimated project cost required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. When a cost incurred is not proportionate to our progress in satisfying the performance obligation, in those circumstances, we adjust the performance for the input method to recognise revenue only to the extent of that cost incurred.

We generally provide preventive maintenance and support services in SITC contracts. The preventive maintenance and support services are separate performance obligations because the promise to transfer the product and to provide maintenance and support services are capable of being distinct. Accordingly, the transaction price in the contract is allocated to different performance obligations based on standalone selling prices of each performance obligation. Revenue from preventive maintenance and support services is recognized over the period of preventive maintenance and support.

#### ***Sale of Hardware or software***

Revenue from the sale of hardware is recognized at the point in time when the control of the asset is transferred to the customer. Revenue from Software/licenses where the customer obtains a “right to use” the licenses is

recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the period of access either on straight line basis or on usage basis, depending upon the terms of the arrangement.

We consider whether there are other promises in the contract that are separate performance obligations to which portion of transaction price needs to be allocated (e.g. warranty).

### ***Revenue from services***

Revenue from sale of services are recognized over the period when the services are provided.

Revenue on time and material contracts are recognized on input basis as labour hours delivered. Where our efforts or inputs are expended evenly throughout the performance period of services, we recognise revenue on a straight line basis.

### ***Warranty obligations***

We typically provide warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

In certain contracts, we also provide a one-year warranty beyond fixing defects that existed at the time of sale. These types of service-type warranties are sold either separately or bundled together with the sale of goods. Contracts for bundled sales of goods and a service-type warranty comprise two performance obligations because the goods and service-type warranty are both sold on a stand-alone basis and are distinct within the context of contract. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability. Revenue for service-type warranties is recognised over the period in which the service is provided based on the time elapsed.

***Commission income.*** The overriding/ referral commission for commercial deals is recognized at a point in time.

***Dividend and Interest Income.*** Dividend income is recognized when the right to receive payment is established. Interest income is recognized using the effective interest method.

### **Contract balances**

***Contract asset.*** A contract asset is initially recognized for revenue earned from rendering of services because the receipt of consideration is conditional on successful completion of the services. Upon completion of the service, the amount recognized as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment.

***Trade receivable.*** A receivable is recognized if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

***Contract liabilities.*** A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before we transfer the related goods or services. Contract liabilities are recognized as revenue when we perform under the contract (i.e., transfers control of the related goods or services to the customer).

### **Retirement and other employment benefits**

***Short term employee benefits.*** All short term employee benefits such as salaries, incentives, medical benefits which are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related services which entitles him to avail such benefits are recognized on an undiscounted basis and charged to the statement of profit and loss account.

***Compensated absences.*** Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit and this is shown under current provisions in the Balance Sheet. We measure the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

We present the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where we have the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability. Since we have short term accumulated leave balances, the provision is determined as present value of expected payments.

### ***Post-employment obligations***

***Defined contribution plans.*** Retirement benefit in the form of Provident Fund and Employee State Insurance Scheme is a defined contribution scheme. We have no obligation, other than the contribution payable to the above-mentioned funds. We recognise contribution payable to the above schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

***Defined benefit plans.*** We provide for retirement/post-retirement benefits in the form of gratuity, which is provided for based on actuarial valuation, as at the balance sheet date, made by independent actuaries. Termination benefits are recognized as expense as and when incurred.

Our liability towards this benefit is determined on the basis of actuarial valuation using projected unit credit method as at the balance sheet date.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurement is not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of: the date of the plan amendment or curtailment and the date that we recognise related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. We recognise the following changes in the net defined benefit obligation as an expense in statement of profit and loss: service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and net interest expense or income.

### ***Income taxes.***

***Current income tax.*** Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where we operate. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

***Deferred tax.*** Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is

no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

***Goods and Services Tax (GST) paid on acquisition of assets or on incurring expenses.*** Expenses and assets are recognised net of the amount of GST paid, except: when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; when receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### ***Provisions***

A provision is recognised when we have a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Restated Consolidated Financial Statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### ***Warranty provisions***

We provide warranties for general repairs of defects that existed at the time of sale. Provisions related to these assurance-type warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

### ***Onerous contracts***

If we have a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, we recognise any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that we cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

### ***Leases:***

We assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

***As a Lessee.*** We apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. We recognise lease liabilities to make lease payments and right-of-use assets

representing the right to use the underlying assets.

**Right of Use assets.** We recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (e) Impairment of non-financial assets.

**Lease Liabilities.** At the commencement date of the lease, we recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, we use our incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

**Short term leases and leases of low value assets.** We apply the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**As a Lessor.** Leases in which we do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**Rent concessions.** We have opted for the practical expedient under Ind AS 116 on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic and thereby does not elect the Covid-19 related rent concession from a lessor as a lease modification. We account for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

#### *Transition to Ind AS*

Upon first time adoption to Ind AS, we have adopted the modified retrospective method by recognising the lease liability on the initial application (April 1, 2019) at the present value of remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition. The Right of Use Asset has been recognised at the same value at which lease liability has been recognised.

**Foreign currencies.** Our Restated Consolidated Financial Statements are presented in INR, which is also the parent company's functional currency. For each entity, we determine the functional currency and items included in the financial statements of each entity are measured using that functional currency. We use the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

**Group Companies.** On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, we use an average rate to translate income

and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss.

Any goodwill arising in the acquisition/business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations acquisitions, which occurred before the date of transition to Ind AS, are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

### ***Borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

***Inventories.*** Inventory is carried at the lower of cost or net realizable value. The net realizable value is determined with reference to selling price of goods less the estimated cost necessary to make the sale. In determining the cost, the weighted average cost of method is used.

### **Significant accounting judgements, estimates and assumptions**

The preparation of Restated Consolidated Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an explanation of each below.

The areas involving critical estimates or judgments are:

***Determination of performance obligation and standalone selling prices.*** We apply judgement to determine whether each product or service promised to a customer is capable of being distinct, and is distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. We allocate the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where we are unable to determine the stand-alone selling price, we use expected cost-plus margin approach in estimating the stand-alone selling price.

***Cost to complete.*** We estimate the costs to complete for each project for the purpose of revenue recognition and recognition of anticipated losses on projects, if any. In the process of calculating the cost to complete, we conduct regular and systematic reviews of actual results and future projections with comparison against budget. Our Management is of the opinion that the costs to complete the project are fairly estimated.

***Percentage of completion.*** Our estimate of the percentage of completion on each SITC project for the purpose of revenue recognition is through conducting analysis of actual quantity of the installation work for each activity performed during the reporting period and estimate any future costs for comparison against the initial project budget. This process requires monitoring of financial and operational controls. We have established an internal certification of percentage of completion by business team based on analysis of installation effort by them. We



are of the opinion that the percentage of completion of the projects is fairly estimated.

As required by Ind AS 115 in applying the percentage of completion on its long-term projects, we are required to recognize any anticipated losses on its contracts. In light of the above, we are of the opinion that based on the current facts, there are no future losses on contracts, hence no provision is required on any of the reporting dates.

**Warranty provision.** We give warranties for its products, undertaking to repair or replace the product that fail to perform satisfactorily during the warranty period. Provisions made at the year-end represent the amount of expected cost of meeting such obligations of rectification / replacement which is based on the historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims.

**Impairment of Goodwill.** Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which the goodwill is allocated. The value in use calculations require us to estimate the future cash flows expected to arise from the cash generating unit and suitable discount rate in order to calculate the present value. Where the actual future cash flows expected to arise are less than expected an impairment loss may arise.

**Fair Value measurement of financial instruments.** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes to Restated Consolidated Financial Statements.

**Taxes.** There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

**Recognition of deferred tax assets.** The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

**Provisions and contingent liabilities.** We exercise judgement in measuring and recognizing provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

**Impairment of non-financial assets.** Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model.

The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

#### ***Determining the lease term of contracts with renewal and termination options – As lessee***

We determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

We have several lease contracts that include extension and termination options. We apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, we reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised. (Refer note 46 leases)

#### ***Leases: Estimating the incremental borrowing rate***

We cannot readily determine the interest rate implicit in leases, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that we would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what we 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. We estimate the IBR using observable inputs (such as market interest rates) when available. (Refer note 46 leases)

#### ***Estimation of uncertainties relating to the global health pandemic from the Coronavirus disease (COVID-19)***

We have considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, we, as at the date of approval of these Restated Consolidated Financial Statements have used internal and external sources of information including financial forecasts, order books and enquiries and overall assessment of impact of COVID-19 on its customers based on publicly available information. The impact of COVID-19 on our Restated Consolidated Financial Statements may differ from that estimated as at the date of approval of these Restated Consolidated Financial Statements.

#### ***Defined benefit plans (Gratuity benefits)***

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate table. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

### **CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE FINANCIAL YEARS**

There have been no changes in the accounting policies of the Company during the last three financial years, except for with respect to Ind AS 116, which was effective for accounting periods beginning on or after April 1, 2019.

#### ***Ind AS 116***

On March 30, 2019, the Ministry of Company Affairs ("MCA") notified that Ind AS 116 would be effective for accounting periods beginning on or after April 1, 2019.

We have adopted Ind AS 116 "Leases" from date of transition, i.e. April 1, 2019. As a result we have changed our accounting policy for lease contracts. We applied the Ind AS 116 using the modified retrospective approach

and recognized lease liability equal to the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. We recognized the right of use asset at the date of initial application at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. In the context of initial application, we have exercised the option not to apply the new recognition requirements to short term leases and to leases of low value assets. We have lease contracts for various items of office and warehouse premises. Leases of office premises generally have lease terms between two to five years and warehouse premises have lease terms between two to three years. Our obligations under leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

For disclosure of transition provisions as per Ind AS 116 read with SEBI ICDR Regulations as at and for the year ended March 31, 2021, 2020 and 2019, see “*Restated Consolidated Financial Statements – Annexure VII – Note 46: Leases*” on page 310.

## NON-GAAP MEASURES

EBITDA, EBITDA Margin, and others below, (together, “**Non-GAAP Measures**”), presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company’s operating performance.

### *Reconciliation of EBITDA and EBITDA Margin to Profit for the Year*

The table below reconciles restated profit for the period to EBITDA. EBITDA is calculated as restated profit for the year plus tax expense, finance cost, depreciation and amortization expenses, less other income, while EBITDA Margin is the percentage of EBITDA divided by revenue from contracts with customers.

Particulars	Fiscal		
	2019 (Proforma)	2020	2021
	(₹ million, except percentages)		
Restated profit for the year (A)	42.61	197.08	361.49
Income tax expense (B)	155.89	103.24	127.95
Restated profit before tax (C=A+B)	198.50	300.32	489.44
<b>Adjustments:</b>			
Add: Finance Costs (D)	66.49	110.43	91.17
Add: Depreciation and amortisation expense (E)	34.65	46.51	52.73
Less: Other income (F)	36.83	58.04	111.39
<b>Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) (G= C+D+E-F)</b>	<b>262.81</b>	<b>399.22</b>	<b>521.95</b>
Revenue from contracts with customers (H)	6,247.72	7,623.31	8,027.59
<b>EBITDA Margin (EBITDA as a percentage of Revenue from contracts with customers) (I = G/H)</b>	<b>4.21%</b>	<b>5.24%</b>	<b>6.50%</b>

### *Reconciliation of Capital Employed and Return on Capital Employed (pre-tax) to Total Assets*

The table below reconciles capital employed to total assets. Capital employed is calculated as total assets less current liabilities and non-current liabilities while ROCE is calculated as EBIT divided by capital employed.

Particulars	As of and for the year ended March 31,
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	2019 (Proforma)	2020	2021
	(₹ million, except percentages)		
Total Assets (I)	4,924.54	6,461.00	6,736.64
Total Current Liabilities (II)	4,277.07	5,200.01	4,969.62
Total Non-Current Liabilities (III)	117.10	536.95	624.05
<b>Capital Employed (IV) = I-II-III</b>	<b>530.37</b>	<b>724.04</b>	<b>1,142.96</b>
Restated Profit for the year(V)	42.61	197.08	361.49
Total Tax Expense (VI)	155.89	103.24	127.95
Finance Costs (VII)	66.49	110.43	91.17
<b>Earnings Before Interest, Tax (EBIT) (VIII) = V + VI + VII</b>	<b>264.99</b>	<b>410.75</b>	<b>580.61</b>
<b>Return on Capital Employed (VIII/IV)</b>	<b>49.96%</b>	<b>56.73%</b>	<b>50.80%</b>

#### *Reconciliation of Return on Equity to Total Equity*

The table below reconciles return on equity to total equity. Return on equity is calculated as restated profit for the year/ period divided by total equity.

Particulars	As of and for the year ended March 31,		
	2019 (Proforma)	2020	2021
	(₹ million, except percentages)		
Total Equity (I)	530.37	724.04	1,142.97
Restated Profit for the year(II)	42.61	197.08	361.49
<b>Return on Equity (III) = (II/I)</b>	<b>8.03%</b>	<b>27.22%</b>	<b>31.63%</b>

#### *Reconciliation of Total Borrowings and Debt to Equity Ratio*

The table below reconciles total borrowings and debt to equity. Total Borrowings is calculated as borrowings under non-current liabilities plus current maturities of long-term debts plus borrowings under current liabilities, while Debt to Equity is calculated as Total Borrowings divided by total equity.

Particulars	As of and for the year ended March 31,		
	2019 (Proforma)	2020	2021
	(₹ million)		
Current Liabilities - Financial liabilities - Borrowings	290.58	493.52	638.13
<b>Total Borrowings (I)</b>	<b>290.58</b>	<b>493.52</b>	<b>638.13</b>
<b>Total Equity (II)</b>	<b>530.37</b>	<b>724.04</b>	<b>1,142.97</b>
<b>Debt to Equity ratio III = (I/II)</b>	<b>0.55</b>	<b>0.68</b>	<b>0.56</b>

#### *Reconciliation of PAT Margin*

The table below reconciles restated profit to PAT Margin. PAT Margin is calculated as restated profit after tax divided by revenue from contracts with customers.

Particulars	As of and for the year ended March 31,		
	2019 (Proforma)	2020	2021
	(₹ million, except percentages)		
Restated profit for the year (I)	42.61	197.08	361.49
Revenue from contracts with customers (II)	6,247.72	7,623.31	8,027.59
<b>PAT Margin III = (I/II)</b>	<b>0.68%</b>	<b>2.59%</b>	<b>4.50%</b>

#### *Reconciliation of CAGR of Revenue from Contracts with Customers, PAT, PAT Margin, EBITDA, EBITDA Margin, ROE and ROCE*

Particulars	Fiscal 2019	Fiscal 2021	CAGR%*
Revenue from contracts with customers	6,247.72	8,027.59	13.35%

Particulars	Fiscal 2019	Fiscal 2021	CAGR%*
Restated profit for the year	42.61	361.49	191.27%
PAT Margin	0.68%	4.50%	156.96%
EBITDA	262.81	521.95	40.93%
EBITDA Margin	4.21%	6.50%	24.33%
ROE	8.03%	31.63%	98.41%
ROCE	49.96%	50.80%	0.83%

\* CAGR (as a %):  $(\text{End Year Value} - \text{Fiscal 2021} / \text{Base Year Value} - \text{Fiscal 2019})^{1/\text{No. of years between Base year (Fiscal 2019) and End year (Fiscal 2021)}} - 1$  [^ denotes 'raised to']

## PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Set forth below are the principal components of income and expenditure from our continuing operations:

### Total Income

Our total income comprises (i) revenue from contracts with customers and (ii) other income.

#### Revenue from Contracts with Customers

Revenue from contracts with customers consists of (i) sale of IT products and solutions and (ii) sale of IT implementation and support services.

#### Other Income

Other income includes (i) interest income from bank; (ii) interest income from security deposit; (iii) interest income from loans to joint venture; (iv) interest income from others; (v) commission income; (vi) lease concession due to Covid; (vii) dividend income from mutual funds measured at FVTPL; (viii) profits on sale / discard of items of property, plant and equipment; (ix) profit on sale of mutual funds measured at FVTPL; (x) recovery against bad debts booked in earlier years; (xi) sundry balances written back (net); (xii) provision for doubtful debts / advances written back; (xiii) refund of special additional duty written off earlier; and (xiv) government grant income; and (v) other non operating income.

### Expenses

Our expenses comprise (i) cost of material and services consumed; (ii) change in inventories; (iii) employee benefit expenses; (iv) depreciation and amortisation expense; (v) impairment losses on financial instrument and contract assets; (vi) finance cost; and (vii) other expenses.

#### Cost of Material and Services Consumed

Cost of material and services consumed includes (i) purchase of IT products and solutions and (ii) cost of support services for IT products and solutions.

#### Change in Inventories

Change in inventories are calculated based on the difference in opening and closing stock.

#### Employee Benefit Expense

Employee benefit expense comprise (i) salaries, wages and bonus; (ii) employee stock option plan (ESOP) expenses; (iii) contribution to provident funds; (iv) gratuity expense and (v) staff welfare expenses.

#### Depreciation and Amortisation Expense

Depreciation and Amortisation Expense includes (i) depreciation on property, plant and equipment; (ii) amortisation on intangible assets and (iii) depreciation on right of use assets.

#### Impairment Losses on Financial Instrument and Contract Assets

Impairment losses on financial instrument and contract assets includes (i) provision for doubtful debts; and (ii) bad debts written off.

### **Finance Cost**

Finance cost includes (i) interest expense on borrowings and facilities; (ii) interest expense on delayed payment of statutory dues; (iii) interest expense on lease liabilities; (iv) interest expense on deferred consideration on account of business combination; (v) interest expense on contingent consideration on account of business combination and (vi) other finance charges.

### **Other Expenses**

Other expenses comprise (i) rent and hire charges; (ii) repairs and maintenance - others; (iii) telephone charges; (iv) electricity charges; (v) travelling and conveyance; (vi) auditor remuneration; (vii) bank charges; (viii) business promotion expenses; (ix) carriage outward charges; (x) commission and brokerage; (xi) insurance; (xii) accounting software fees; (xiii) legal and professional fees; (xiv) printing and stationery; (xv) courier charges; (xvi) rates and taxes; (xvii) office expenses; (xviii) provision for doubtful advances; (xix) advertising and other promotion cost; (xx) impairment of goodwill on consolidation; (xxi) loss on fair valuation of equity shares and mutual funds; (xxii) freight and handling charges; (xxiii) foreign currency fluctuations (net); (xxiv) loss on sale / discard of items of property, plant and equipment (net) (xxv) corporate social responsibilities expenditure (xxvi) loss on sale of joint venture and (xxvii) miscellaneous expenses.

Key components of other expenses are explained below:

- Travelling and conveyance expenses primarily consists of local conveyance and domestic and international travel expenses, primarily incurred for personnel who travel to client sites to carry out installations and for sales and marketing personnel who travel for pitches and sales meetings.
- Insurance expenses includes expenses towards insurance policies taken for protection of project assets, stock, fixed assets and debtors.
- Accounting software fees primarily includes expenses incurred towards purchase and use of software and software licenses for operating our SOC and our ERP system.
- Legal and professional fees primarily includes fees paid to consultants that we occasionally engage for certain specialized services and digital solutions and also includes fees paid to various legal, tax and IT consultants.
- Impairment losses on financial instruments are recognised based on ageing of outstanding debtors, such as receivables due from clients. This also includes bad debts written off.
- Advertising and other promotion cost are incurred towards advertisements, sponsorships, meetings and business promotion expenses; and
- Freight and handling charges include freight charges, warehouse handling charges and carriage outward incurred for movement and storage of equipment/ materials used at client sites, primarily as part of our Integrated Enterprise Solutions.

## **RESULTS OF OPERATIONS**

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscals 2019, 2020 and 2021:

Particulars	Fiscal					
	2019 (Proforma)		2020		2021	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
<b>Income</b>						
Revenue from contracts with	6,247.72	99.41%	7,623.31	99.24%	8,027.59	98.63%

Particulars	Fiscal					
	2019 (Proforma)		2020		2021	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
customers						
Other income	36.83	0.59%	58.04	0.76%	111.39	1.37%
<b>Total Income</b>	<b>6,284.55</b>	<b>100.00%</b>	<b>7,681.35</b>	<b>100.00%</b>	<b>8,138.98</b>	<b>100.00%</b>
<b>Expenses</b>						
<i>Cost of material and services consumed</i>						
Purchase of IT products and solutions	3,645.02	58.00%	5,081.48	66.15%	4,707.74	57.84%
Cost of support service for IT product and solutions	1,268.17	20.18%	1,256.63	16.36%	1,706.28	20.96%
Change in inventories	(44.92)	(0.71)%	(41.10)	(0.54)%	(16.69)	(0.21)%
Employee benefits expenses	757.44	12.05%	495.89	6.46%	762.29	9.37%
Depreciation and amortisation expense	34.65	0.55%	46.51	0.61%	52.73	0.65%
Impairment losses on financial instruments	53.11	0.85%	81.26	1.06%	73.53	0.90%
Finance cost	66.49	1.06%	110.43	1.44%	91.17	1.12%
Other expenses	307.56	4.89%	364.11	4.74%	291.15	3.58%
<b>Total expenses</b>	<b>6,087.52</b>	<b>96.86%</b>	<b>7,395.21</b>	<b>96.27%</b>	<b>7,668.20</b>	<b>94.22%</b>
<b>Restated profit before share of profit of joint venture and tax expense</b>	<b>197.03</b>	<b>3.14%</b>	<b>286.14</b>	<b>3.73%</b>	<b>470.78</b>	<b>5.78%</b>
Share of profit of joint venture (net of income tax)	1.47	0.02%	14.18	0.18%	18.66	0.23%
<b>Restated profit before tax</b>	<b>198.50</b>	<b>3.16%</b>	<b>300.32</b>	<b>3.91%</b>	<b>489.44</b>	<b>6.01%</b>
<b>Tax expense / (benefit)</b>						
- Current tax	149.50	2.38%	210.50	2.74%	110.38	1.36%
- Deferred tax	6.40	0.10%	(107.26)	(1.40)%	18.16	0.22%
- Tax expense relating to earlier years	(0.01)	0.00%	0.00	0.00%	(0.59)	(0.01)%
<b>Income tax expense</b>	<b>155.89</b>	<b>2.48%</b>	<b>103.24</b>	<b>1.34%</b>	<b>127.95</b>	<b>1.57%</b>
<b>Restated profit for the year</b>	<b>42.61</b>	<b>0.68%</b>	<b>197.08</b>	<b>2.57%</b>	<b>361.49</b>	<b>4.44%</b>
<b>Other comprehensive income/(loss)</b>						
<b>Items that will not be reclassified to profit and loss account</b>						
Re-measurement gains / (losses) on defined benefit	(0.54)	(0.01)%	(3.56)	(0.05)%	0.46	0.01%
Income tax relating to these items	0.14	0.00%	0.88	0.01%	(0.11)	0.00%

Particulars	Fiscal					
	2019 (Proforma)		2020		2021	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
<i>Items that will be reclassified to profit or loss account</i>						
Equity investments measured at FVOCI	0	0.00%	(0.41)	(0.01)%	1.34	0.02%
Translation differences related to foreign operations	6.19	0.10%	(1.93)	(0.03)%	1.66	0.02%
Income tax relating to these items	-	0.00%	0.10	0.00%	(0.34)	0.00%
<b>Restated total other comprehensive income / (loss) for the year (net of tax)</b>	<b>5.79</b>	<b>0.09%</b>	<b>(4.92)</b>	<b>(0.06)%</b>	<b>3.01</b>	<b>0.04%</b>
<b>Restated total comprehensive income for the year, net of tax</b>	<b>48.40</b>	<b>0.77%</b>	<b>192.16</b>	<b>2.50%</b>	<b>364.50</b>	<b>4.48%</b>

## FISCAL 2021 COMPARED TO FISCAL 2020

### Key Developments

- We were engaged by several new customers in Fiscal 2021, primarily on the pay-per-use model for our MSSP services. Further, most new clients were enterprises located in the MEA and South East Asia regions, resulting in expansion of our presence in Singapore, Indonesia and the Philippines.
- New capabilities were added to our shared services platform, including enhanced SIEM and SOAR services. We also added IAM services and enhanced public cloud capabilities.
- We entered into a business transfer agreement and acquired the ‘Splunk Big Data Analytics’ business unit from SmartCirqls Infotech Private Limited by way of a slump sale, that included the licenses and rights associated with ‘Splunk’, few data engineers as well as senior personnel with Splunk information and technology systems, and existing client relationships of the business unit.

### Income

Total income increased by 5.96% from ₹ 7,681.35 million in Fiscal 2020 to ₹ 8,138.98 million in Fiscal 2021 primarily on account of increases in both revenue from contracts with customers and other income.

#### *Revenue from Contracts with Customers*

Revenue from contracts with customers increased by 5.30% from ₹ 7,623.31 million in Fiscal 2020 to ₹ 8,027.59 million in Fiscal 2021, primarily due to an increase in sale of IT implementation and support services by 42.71% from ₹ 1,355.81 million in Fiscal 2020 to ₹ 1,934.86 million in Fiscal 2021 due to increase in projects secured related to sale of IT implementation and support services.

This was partially offset by a decrease in sale of IT products and solutions by 2.79 % from ₹ 6,267.50 million in Fiscal 2020 to ₹ 6,092.73 million in Fiscal 2021 on account of decrease in product component and increase in the service component.

#### *Other Income*

Other income increased from ₹ 58.04 million in Fiscal 2020 to ₹ 111.39 million in Fiscal 2021, primarily due to



an increase in interest from bank by 35.23% from ₹ 26.00 million in Fiscal 2020 to ₹ 35.16 million in Fiscal 2021, as a result of higher fixed deposits placed with banks against guarantees; increase in profit on sale of mutual funds measured at FVTPL from ₹ 0.38 million in Fiscal 2020 to ₹ 7.57 million in Fiscal 2021, due to lease concessions received on account of COVID-19 pandemic of ₹ 2.69 million, and increase in sundry balances written back from ₹ 7.14 million in Fiscal 2020 to ₹ 51.71 million in Fiscal 2021 on account of write back of prior advances no longer payable.

The increase was offset by a decrease in interest income from loans to joint venture from ₹ 2.38 million in Fiscal 2020 to nil in Fiscal 2021; decrease in dividend income from mutual fund measured at FVTPL by 99.14% from ₹ 1.01 million in Fiscal 2020 to ₹ 0.01 million in Fiscal 2021 on account of reduction of investment in mutual fund dividend scheme, and a decrease in other non-operating income from ₹ 5.76 million in Fiscal 2020 to ₹ 0.63 million in Fiscal 2021 on account of reduction of overriding commission income that is typically received as a referral fee/ incentive for referring vendors/ third-parties to provide services to our existing clients.

### **Expenses**

Total expenses increased by 3.69% from ₹ 7,395.21 million in Fiscal 2020 to ₹ 7,668.20 million in Fiscal 2021, primarily due to increases in employee benefits expense, depreciation and amortisation and cost of material and service consumed.

#### ***Cost of Material and Services Consumed***

Cost of material and services consumed increased by 1.20% from ₹ 6,338.11 million in Fiscal 2020 to ₹ 6,414.02 million in Fiscal 2021, primarily due to an increase in cost of support services for IT products and solutions by 35.78% from ₹ 1,256.63 million in Fiscal 2020 to ₹ 1,706.28 million in Fiscal 2021, on account of increase in projects secured related to sale of IT implementation and support services.

This was partially offset by a decrease in purchase of IT products and solutions by 7.35% from ₹ 5,081.48 million in Fiscal 2020 to ₹ 4,707.74 million in Fiscal 2021 on account of decrease in product component and increase in service component.

#### ***Change in Inventories***

Inventories changed from ₹ 41.10 million in Fiscal 2020 to ₹ 16.69 million in Fiscal 2021.

#### ***Employee Benefit Expense***

Employee benefit expense increased by 53.72% from ₹ 495.89 million in Fiscal 2020 to ₹ 762.29 million in Fiscal 2021, primarily due to an increase in salaries, wages and bonus by 44.15% from ₹ 461.02 million in Fiscal 2020 to ₹ 664.56 million in Fiscal 2021 on account of increase in employees from 368 as of March 31, 2020 to 698 employees as of March 31, 2021. In addition, contribution to provident and other fund increased by 54.62% from ₹ 11.15 million in Fiscal 2020 to ₹ 17.24 million in Fiscal 2021; while employee stock option scheme expenses increased from a nil in Fiscal 2020 to ₹ 54.43 million in Fiscal 2021 due to introduction of ESOP scheme by the Company and grant of stock options, and staff welfare expenses increased by 28.51% from ₹ 16.52 million in Fiscal 2020 to ₹ 21.23 million in Fiscal 2021, owing to increase in the strength of our workforce

This was offset by a decrease in gratuity expense by 32.92% from ₹ 7.20 million in Fiscal 2020 to ₹ 4.83 million in Fiscal 2021. Higher gratuity payments were made in Fiscal 2020 on account of the resignation of a senior personnel in our Company, while there were no such departures in Fiscal 2021.

#### ***Depreciation and Amortisation Expenses***

Depreciation and amortisation expenses increased by 13.38% from ₹ 46.51 million in Fiscal 2020 to ₹ 52.73 million in Fiscal 2021, primarily due to an increase in depreciation of tangible assets by 24.05% from ₹ 18.63 million in Fiscal 2020 to ₹ 23.11 million in Fiscal 2021 due to purchase of laptops and office equipment; increase in amortisation on intangible assets from ₹ 0.24 million in Fiscal 2020 to ₹ 1.84 million in Fiscal 2021 and an increase in depreciation of right of use assets by 0.51% from ₹ 27.64 million in Fiscal 2020 to ₹ 27.78 million in Fiscal 2021 due to increases in (i) amortisation expenses of intangible assets acquired during the year; and (ii) depreciation of right-of-use assets as a result of classification of lease of facility as right-of-use assets pursuant to Ind AS 116.

### ***Impairment Losses on Financial Instruments***

Impairment losses on financial instruments decreased by 9.51% from ₹ 81.26 million in Fiscal 2020 to ₹ 73.53 million in Fiscal 2021.

### ***Finance Cost***

Finance cost decreased by 17.44% from ₹ 110.43 million in Fiscal 2020 to ₹ 91.17 million in Fiscal 2021, primarily due to a decrease in interest expense on borrowings and facilities by 40.04% from ₹ 79.37 million in Fiscal 2020 to ₹ 47.59 million in Fiscal 2021, due to reduction in bill discounting; interest expense on delayed payment of statutory dues from ₹ 4.76 million in Fiscal 2020 to nil in Fiscal 2021 and interest expense on lease liabilities that decreased by 20.75% from ₹ 5.30 million in Fiscal 2020 to ₹ 4.20 million in Fiscal 2021.

This was partially offset by an increase in interest on contingent consideration on account of business combination from no such expense in Fiscal 2020 to ₹ 1.21 million in Fiscal 2021, based on the acquisition from SmartCirqls Infotech that we carried out in November 2020; increase in interest on deferred consideration on account of business combination from no such expense in Fiscal 2020 to ₹ 0.14 million in Fiscal 2021 due to contingent consideration payable on acquisition made of SmartCirqls Infotech during Fiscal 2021, and an increase in other finance charges by 81.10% from ₹ 21.00 million in Fiscal 2020 to ₹ 38.03 million in Fiscal 2021 on account of increase in bank charges due to higher utilisation of non-fund based facilities.

### ***Other Expenses***

Other expenses decreased by 20.04% from ₹ 364.11 million in Fiscal 2020 to ₹ 291.15 million in Fiscal 2021, primarily due to a decrease in:

- Travelling and conveyance expenses that decreased by 62.31% from ₹ 99.62 million in Fiscal 2020 to ₹ 37.55 million in Fiscal 2021, primarily due to reduction in travel on account of COVID-19 related travel restrictions;
- Advertising and other promotion cost that decreased by 47.72% from ₹ 38.96 million in Fiscal 2020 to ₹ 20.37 million in Fiscal 2021, primarily due to reduction in advertisements, sponsorships, meetings and business promotion expenses on account of fewer events, conferences and meetings conducted as a result of COVID-19 related restrictions imposed by regulators.
- Provision for doubtful advances that decreased from ₹ 5.10 million in Fiscal 2020 to nil in Fiscal 2021, primarily due to absence of major provision required during the year for advances that are typically made to vendors.
- Foreign currency fluctuations (net) that decreased by 79.11% from ₹ 17.62 million in Fiscal 2020 to ₹ 3.68 million in Fiscal 2021, primarily due to reduction in foreign exchange exposure due to fewer equipment purchases made from vendors in Fiscal 2021.
- Contribution towards corporate social responsibilities that decreased by 56.48% from ₹ 22.98 million in Fiscal 2020 to ₹ 10.00 million in Fiscal 2021, primarily due to delays in identifying and finalizing tie-ups with non-government organizations for discharging the CSR obligations.
- Miscellaneous expenses that decreased by 13.70% from ₹ 17.37 million in Fiscal 2020 to ₹ 14.99 million in Fiscal 2021.

The decrease was partially offset by an increase in accounting software fees by 222.28% from ₹ 7.99 million in Fiscal 2020 to ₹ 25.75 million in Fiscal 2021 on account of increase in expenses incurred towards purchase and use of software and software licenses for operating our SOC and ERP systems; increase in rates and taxes from ₹ 2.41 million in Fiscal 2020 to ₹ 10.75 million in Fiscal 2021 primarily on account of increase in provision towards GST expenses and stamp duty in Fiscal 2021 and an increase in freight and handling charges by 32.92% from ₹ 20.72 million in Fiscal 2020 to ₹ 27.54 million in Fiscal 2021 on account of increase in movement of equipment during the year due to higher number of installations and onsite requirements for clients.

### **Profit before Tax**

For the reasons discussed above, profit before tax was ₹ 489.44 million in Fiscal 2021 compared to ₹ 300.32 million in Fiscal 2020.

### **Tax Expense**

Current tax expenses decreased from ₹ 210.5 million in Fiscal 2020 to ₹ 110.38 million in Fiscal 2021 and deferred tax increased from a credit ₹ 107.26 million in Fiscal 2020 to ₹ 18.16 million in Fiscal 2021, primarily due to Ind AS adjustments involving impact due to deferral of revenue as per Ind AS 115, cost accrual and ECL provisions. Tax expense relating to earlier years was a credit of ₹ 0.59 million in Fiscal 2021.

As a result, total tax expense amounted to ₹ 127.95 million in Fiscal 2021 compared to ₹ 103.24 million in Fiscal 2020.

### **Profit for the Year**

We recorded a profit for the year of ₹ 361.49 million in Fiscal 2021 compared to ₹ 197.08 million in Fiscal 2020.

### **Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**

EBITDA was ₹ 521.95 million in Fiscal 2021 compared to ₹ 399.22 million in Fiscal 2020, while EBITDA Margin was 6.50% in Fiscal 2021 compared to 5.24% in Fiscal 2020.

### **FISCAL 2020 COMPARED TO FISCAL 2019**

#### **Key Developments**

- We were awarded several large projects in Fiscal 2020, particularly for our Cyber-Security solutions.

#### **Income**

Total income increased by 22.23% from ₹ 6,284.55 million in Fiscal 2019 to ₹ 7,681.35 million in Fiscal 2020 on account of increase in revenue from contracts with customers, and other income.

#### **Revenue from Contracts with Customers**

Revenue from contracts with customers increased by 22.02% from ₹ 6,247.72 million in Fiscal 2019 to ₹ 7,623.31 million in Fiscal 2020, primarily due to an increase in sale of IT products and solutions by 33.31% from ₹ 4,701.30 million in Fiscal 2019 to ₹ 6,267.50 million in Fiscal 2020 on account of increase in revenue from existing customers, acquisition of new customers, and increase in revenue from international operations.

This was partially offset by a decrease in sale of IT implementation and support services by 12.33% from ₹ 1,546.42 million in Fiscal 2019 to ₹ 1,355.81 million in Fiscal 2020 due to decrease in services component.

#### **Other Income**

Other income increased by 57.58% from ₹ 36.83 million in Fiscal 2019 to ₹ 58.04 million in Fiscal 2020, primarily due to an increase in interest income from bank by 40.16% from ₹ 18.55 million in Fiscal 2019 to ₹ 26.00 million in Fiscal 2020, due to higher fixed deposits placed with banks against guarantees; an increase in interest income from loans to joint venture by 65.35% from ₹ 1.44 million in Fiscal 2019 to ₹ 2.38 million in Fiscal 2020, on account of increase in loans advanced to related parties; increase in dividend income from mutual funds measured at FVTPL from ₹ 0.34 million in Fiscal 2019 to ₹ 1.01 million in Fiscal 2020; increase in profit from sale of property, plant and equipment from nil in Fiscal 2019 to ₹ 0.73 million in Fiscal 2020; increase in sundry balances written back from ₹ 0.15 million in Fiscal 2019 to ₹ 7.14 million in Fiscal 2020, on account of write back of old advances no longer payable, and an increase in other non-operating income by 53.96% from ₹ 3.74 million in Fiscal 2019 to ₹ 5.76 million in Fiscal 2020.

This was partially offset by a decrease in provision for doubtful debts / advances written back from ₹ 1.30 million in Fiscal 2019 to nil in Fiscal 2020 and interest income from others by 19.76% from ₹ 1.10 million in Fiscal 2019 to ₹ 0.88 million in Fiscal 2020 on account of reduction in recovery of interest from clients.

#### **Expenses**

Total expenses increased by 21.48% from ₹ 6,087.52 million in Fiscal 2019 to ₹ 7,395.21 million in Fiscal 2020, primarily due to increases in cost of material and service consumed expenses, depreciation and interest expenses.

#### ***Cost of Material and Services Consumed***

Cost of material and services consumed was ₹ 4,913.19 million and ₹ 6,338.11 million, representing 78.64%, and 83.14% of our revenue from contracts with customers in Fiscal 2019 and 2020, respectively. This increase was primarily due to an increase in the purchase of IT products and solutions from ₹ 3,645.02 million in Fiscal 2019 to ₹ 5,081.48 million in Fiscal 2020, and represented 58.34% of our revenue from contracts with customers in Fiscal 2019, and 66.66% of our revenue from contracts with customers in Fiscal 2020.

#### ***(Increase) / Decrease in inventories***

Inventories changed from ₹ 44.92 million in Fiscal 2019 to ₹ 41.10 million in Fiscal 2020.

#### ***Employee Benefit Expense***

Employee benefits expenses decreased by 34.53% from ₹ 757.44 million in Fiscal 2019 to ₹ 495.89 million in Fiscal 2020, primarily due to a decrease in salaries, wages and bonus by 36.29% from ₹ 723.59 million in Fiscal 2019 to ₹ 461.02 million in Fiscal 2020 on account of decrease in remuneration paid to Executive Directors; staff welfare expenses decreased by 27.22% from ₹ 22.70 million in Fiscal 2019 to ₹ 16.52 million in Fiscal 2020. The decrease was offset partially by an increase in contribution to provident and other funds by 44.57% from ₹ 7.71 million in Fiscal 2019 to ₹ 11.15 million in Fiscal 2020 and an increase in gratuity expenses by 109.26% from ₹ 3.44 million in Fiscal 2019 to ₹ 7.20 million in Fiscal 2020.

#### ***Depreciation and Amortisation Expense***

Depreciation and amortisation expense increased by 34.20% from ₹ 34.65 million in Fiscal 2019 to ₹ 46.51 million in Fiscal 2020, primarily due to an increase in depreciation of tangible assets by 18.32% from ₹ 15.75 million in Fiscal 2019 to ₹ 18.63 million in Fiscal 2020; increase in amortisation of intangible assets from ₹ 0.10 million in Fiscal 2019 to ₹ 0.24 million in Fiscal 2020 and an increase in depreciation on right of use assets by 47.03% from ₹ 18.80 million in Fiscal 2019 to ₹ 27.64 million in Fiscal 2020, due to (i) amortisation expenses of intangible assets during the year; and (ii) depreciation of right of use assets as a result of classification of lease of facility as right-of-use assets pursuant to Ind AS 116.

#### ***Impairment Losses on Financial Instruments***

Impairment Losses on Financial Instruments increased by 53.00% from ₹ 53.11 million in Fiscal 2019 to ₹ 81.26 million in Fiscal 2020.

#### ***Finance Cost***

Finance cost increased by 66.09% from ₹ 66.49 million in Fiscal 2019 to ₹ 110.43 million in Fiscal 2020, primarily due to an increase in interest expense on borrowings and facilities from ₹ 35.41 million in Fiscal 2019 to ₹ 79.37 million in Fiscal 2020, due to increase in availing cash credit and bill discounting facilities for working capital purposes; interest expense on lease liabilities by 14.85% from ₹ 4.61 million in Fiscal 2019 to ₹ 5.30 million in Fiscal 2020 and an increase in other finance charges by 0.22% from ₹ 20.96 million in Fiscal 2019 to ₹ 21.00 million in Fiscal 2020. This was offset partially by a decrease in interest expense on delayed payment of statutory dues by 13.59% from ₹ 5.51 million in Fiscal 2019 to ₹ 4.76 million in Fiscal 2020.

#### ***Other Expenses***

Other expenses increased by 18.39% from ₹ 307.56 million in Fiscal 2019 to ₹ 364.11 million in Fiscal 2020, primarily due to an increase in:

- Insurance expenses that increased by 112.06% from ₹ 5.98 million in Fiscal 2019 to ₹ 12.68 million in Fiscal 2020, primarily on account of increase in limits of stock cover and credit insurance cover.
- Legal and professional fees that increased by 33.73% from ₹ 62.22 million in Fiscal 2019 to ₹ 83.20 million

in Fiscal 2020, primarily due to increase in amount paid towards consultancy charges and Legal & Professional fees paid to Consultants.

- Impairment losses on financial instruments that increased by 53.00% from ₹ 53.11 million in Fiscal 2019 to ₹ 81.26 million in Fiscal 2020, primarily due to increase in amount of doubtful debtors, i.e. delayed payments from clients.
- Advertising and other promotion cost that increased by 68.83% from ₹ 23.08 million in Fiscal 2019 to ₹ 38.96 million in Fiscal 2020, primarily on account of due to increase in advertisements, sponsorships, meetings and business promotion expenses, due to increased marketing and client engagements.
- Freight and handling charges that increased by 66.19% from ₹ 12.47 million in Fiscal 2019 to ₹ 20.72 million in Fiscal 2020, due to increase in movement of goods during the year.
- Contribution towards corporate social responsibilities charges that increased by 81.54% from ₹ 12.66 million in Fiscal 2019 to ₹ 22.98 million in Fiscal 2020, due to identification of tie-ups with non-government organizations for discharging the CSR obligations.

The increase was partially offset by a decrease in travelling and conveyance expense by 4.69% from ₹ 104.53 million in Fiscal 2019 to ₹ 99.62 million in Fiscal 2020, due to decrease in domestic travel expenses, and a decrease in foreign currency fluctuations (net) by 14.40% from ₹ 20.59 million in Fiscal 2019 to ₹ 17.62 million in Fiscal 2020, on account of reduction in foreign exchange exposure.

#### **Profit before Tax**

For the reasons discussed above, profit before tax was ₹ 300.32 million in Fiscal 2020 compared to ₹ 198.50 million in Fiscal 2019.

#### **Tax Expense**

Current tax expenses increased from ₹ 149.50 million in Fiscal 2019 to ₹ 210.50 million in Fiscal 2020 and deferred tax decreased from ₹ 6.40 million in Fiscal 2019 to a credit of ₹ 107.26 million in Fiscal 2020, primarily on account of Ind AS adjustments.

As a result, total tax expense amounted to ₹ 103.24 million in Fiscal 2020 compared to ₹ 155.89 million in Fiscal 2019.

#### **Profit for the Year**

We recorded a profit for the year of ₹ 197.08 million in Fiscal 2020 compared to ₹ 42.61 million in Fiscal 2019.

#### **Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)**

EBITDA was ₹ 399.22 million in Fiscal 2020 compared to ₹ 262.81 million in Fiscal 2019, while EBITDA Margin was 5.24% in Fiscal 2020 compared to 4.21% in Fiscal 2019.

#### **LIQUIDITY AND CAPITAL RESOURCES**

We have historically financed the expansion of our business and operations primarily through debt financing and funds generated from our operations. From time to time, we may obtain loan facilities to finance our short-term working capital requirements.

#### **CASH FLOWS**

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	Fiscal		
	2019 (Proforma)	2020	2021
	(₹ million)		
Net cash from / (used in) operating activities	114.87	679.78	(625.20)
Net cash (used in) investing activities	(130.40)	(9.51)	(59.59)
Net cash from / (used in) financing activities	(88.16)	68.88	29.38
Net increase/ (decrease) in cash and cash equivalents	(103.69)	739.15	(655.41)
Cash and cash equivalents at the end of the year	15.99	736.94	86.11

## Operating Activities

### Fiscal 2021

In Fiscal 2021, net cash used in operating activities was ₹ 625.20 million. Profit before tax was ₹ 470.78 million and adjustments primarily consisted of depreciation and amortisation of ₹ 52.73 million; finance cost of ₹ 91.17 million; ESOP compensation expenses of ₹ 54.43 million; impairment losses on financial instruments of ₹ 73.53 million. This was partially offset by adjustments in interest income of ₹ 37.20 million; sundry balances written back (net) of ₹ 51.71 million and loss on sale of investments of ₹ 7.57 million.

Operating cash flows before working capital changes were ₹ 641.53 million in Fiscal 2021. The main working capital adjustments included increase in trade receivables of ₹ 669.36 million; increase in other financial assets of ₹ 25.51 million; decrease in trade payable of ₹ 51.44 million; decrease in contract liabilities of ₹ 42.22 million; increase in other financial liabilities of ₹ 31.10 million and a decrease in other liabilities and provisions of ₹ 81.87 million. This was partially offset by an increase in inventories of ₹ 16.68 million and an increase in loans and other assets of ₹ 155.11 million. Cash used in operations in Fiscal 2021 amounted to ₹ 369.56 million. Income tax paid amounted to ₹ 255.64 million.

### Fiscal 2020

In Fiscal 2020, net cash from operating activities was ₹ 679.78 million. Profit before share of profit of joint venture and tax expense was ₹ 286.14 million and adjustments primarily consisted of depreciation and amortisation of ₹ 46.51 million; finance cost of ₹ 110.43 million; provision for doubtful advances of ₹ 5.10 million and impairment losses on financial instruments of ₹ 81.26 million. This was partially offset by adjustments in interest income of ₹ 30.54 million; dividend income of ₹ 1.01 million and sundry balances written back (net) of ₹ 7.14 million.

Operating cash flows before working capital changes were ₹ 505.91 million in Fiscal 2020. The main working capital adjustments included increase in inventories of ₹ 41.11 million; increase in loans and other assets of ₹ 146.89 million; Increase in trade payable of ₹ 629.40 million; increase in contract liabilities of ₹ 531.54 million and increase in other financial liabilities of ₹ 26.44 million. This was partially offset by an increase in trade receivables of ₹ 496.60 million; increase in other financial assets of ₹ 59.52 million and decrease in other liabilities and provisions of ₹ 96.76 million. Cash generated from operating activities in Fiscal 2020 amounted to ₹ 852.41 million. Income tax paid amounted to ₹ 172.63 million.

### Fiscal 2019

In Fiscal 2019, net cash from operating activities was ₹ 114.87 million. Profit before share of profit of joint venture and tax expense was ₹ 197.03 million and adjustments primarily consisted of depreciation and amortisation of ₹ 34.65 million; finance cost of ₹ 66.49 million; sundry balances written back (net) of ₹ 2.08 million; and impairment losses on financial instruments of ₹ 53.11 million; impairment of goodwill on consolidation of a subsidiary of ₹ 8.41 million and provision for doubtful advances ₹ 4.34 million. This was partially offset by adjustments in interest income of ₹ 22.28 million and dividend income of ₹ 0.34 million.

Operating cash flows before working capital changes were ₹ 339.24 million in Fiscal 2019. The main working capital adjustments included increase in loans and other assets of ₹ 180.15 million; increase in trade payable of ₹ 1,595.27 million and a decrease in contract liabilities of ₹ 113.10 million. This was partially offset by an increase in inventories of ₹ 49.34 million; increase in trade receivables of ₹ 1,400.98 million; decrease in other financial assets of ₹ 5.69 million and an increase in other liabilities and provisions of ₹ 102.76 million. Cash generated from operating activities in Fiscal 2019 amounted to ₹ 299.39 million. Income tax paid amounted to ₹ 184.52 million.

## **Investing Activities**

### ***Fiscal 2021***

Net cash used in investing activities was ₹ 59.59 million in Fiscal 2021, primarily on account of purchase of property, plant, equipment and intangibles (including CWIP and assets acquired in business combination) of ₹ 109.21 million and purchase of current investments - mutual funds of ₹ 570.01 million. This was partially offset by sale of current investments – mutual fund units of ₹ 578.10 million; proceeds from sale of property, plant and equipment of ₹ 0.77 million; dividend income of ₹ 0.01 million and interest received of ₹ 40.75 million.

### ***Fiscal 2020***

Net cash generated used in investing activities was ₹ 9.51 million in Fiscal 2020 primarily on account of purchase of property, plant, equipment and intangibles of ₹ 39.63 million and purchase of current investments - mutual funds of ₹ 336.51 million. This was partially offset by sale of current investments – mutual fund units of ₹ 342.83 million; proceeds from sale of property, plant and equipment of ₹ 1.18 million; dividend income of ₹ 1.01 million and interest received of ₹ 21.61 million.

### ***Fiscal 2019***

Net cash generated from investing activities was ₹ 130.40 million in Fiscal 2019, primarily on account of purchase of property, plant, equipment and intangibles of ₹ 8.79 million and investment in equity shares of ₹ 147.01 million. This was partially offset by dividend income of ₹ 0.34 million and interest received of ₹ 25.28 million.

## **Financing Activities**

### ***Fiscal 2021***

Net cash from financing activities was ₹ 29.38 million in Fiscal 2021, primarily on account of proceeds from borrowings of ₹ 144.60 million. This was offset primarily by interest paid of ₹ 88.32 million, repayment of principle lease liabilities of ₹ 22.70 million, and repayment of interest on lease liabilities of ₹ 4.20 million.

### ***Fiscal 2020***

Net cash from financing activities was ₹ 68.88 million in Fiscal 2020, primarily on account of proceeds from borrowings of ₹ 202.94 million. This was offset primarily by interest paid of ₹ 105.14 million, repayment of principle lease liabilities of ₹ 23.62 million, and repayment of interest on lease liabilities of ₹ 5.30 million.

### ***Fiscal 2019***

Net cash used in financing activities was ₹ 88.16 million in Fiscal 2019 primarily on account of interest paid of ₹ 61.87 million, repayment of principle lease liabilities of ₹ 15.56 million, repayment of borrowings ₹ 6.12 million, and repayment of interest on lease liabilities of ₹ 4.61 million.

## **INDEBTEDNESS**

As of March 31, 2021, we had Total Borrowings (consisting of borrowings under non-current liabilities, current maturities of long-term debts, and borrowings under current liabilities) of ₹ 638.13 million. Our Debt to Equity ratio was 0.56 as of March 31, 2021. For further information on our indebtedness, see “*Financial Indebtedness*” on page 363.

The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2021, and our repayment obligations in the periods indicated:

Particulars	As of March 31, 2021			
	Payment due by period			
	(₹ million)			
	Total	Not later than 1 year	1-5 years	More than 5 years
<b>Short Term Borrowings</b>				
Secured	192.53	192.53	-	-
Unsecured	445.60	445.60	-	-
<b>Total Short Term Borrowings</b>	<b>638.13</b>	<b>638.13</b>	-	-

## CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2021, our contingent liabilities as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, were as follows:

Particulars	Amount
	(₹ million)
Income tax matters pending before tax authorities	7.39
Sales tax demand	23.48
<b>Others</b>	
Bank guarantee	2,007.75
Letter of credit	70.34

For further information on our contingent liabilities as of March 31, 2021, as per Ind AS 37, see “*Restated Consolidated Financial Statements – Annexure VII – Note 40: Contingent Liabilities and Capital Commitments*” on page 294.

Except as disclosed in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

## CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2021, aggregated by type of contractual obligation:

Particulars	As of March 31, 2021			
	Payment due by period			
	Carrying Amount	Less than 1 year	1-5 years (discounted)	More than 5 years
	(₹ million)			
Non-current lease liabilities	15.37	-	15.37	-
Contingent purchase consideration on account of business combination	18.31	-	18.31	-
Current Borrowings	638.13	638.13	-	-
Current Lease liabilities	25.99	25.99	-	-
Trade Payables	3,801.10	3,801.10	-	-
Deferred purchase consideration on account of business combination	9.94	9.94	-	-
Other payables	1.04	1.04	-	-
<b>Total</b>	<b>4,509.88</b>	<b>4,476.20</b>	<b>33.68</b>	-

## CAPITAL EXPENDITURES

In Fiscal 2019, Fiscal 2020, and Fiscal 2021, our capital expenditure towards additions to fixed assets (property, plant and equipment’s and intangible assets) were ₹ 8.80 million, ₹ 39.54 million and ₹ 85.62 million, respectively. The following table sets forth our fixed assets for the periods indicated:



Particulars	2019 (Proforma)	2020	2021
	(₹ million)		
Property, plant and equipment	61.43	80.88	75.25
Intangible Assets	0.36	1.12	10.34
Capital Work in Progress (net additions/transfers)	-	-	4.01
Goodwill	-	-	47.61
<b>Total</b>	<b>61.79</b>	<b>82.00</b>	<b>137.21</b>

## RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include remuneration to executive Directors and Key Managerial Personnel. For further information relating to our related party transactions, see “*Summary of the Offer Document – Summary of Related Party Transactions*” on page 27.

## AUDITOR’S OBSERVATIONS

Other than as disclosed below, there have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our Predecessor Statutory Auditor and Statutory Auditor in their respective auditor’s reports on the audited financial statements as of and for the years ended March 31, 2019, 2020 and 2021, as applicable.

### *Emphasis of Matter*

#### *Fiscal 2020*

The Predecessor Statutory Auditor’s report drew attention to a note in view of the outbreak of the COVID-19 pandemic regarding the management’s assessment of recoverability of the Group’s assets, based on current indicators of future economic conditions.

The auditors have also included modifications in annexure to their report on the audited standalone financial statements of our Company on certain matters specified in the Companies (Auditors Report) Order 2016, as amended (“**CARO**”), which do not require any corrective adjustments in the Restated Consolidated Financial Statements. For further information, see “*Restated Consolidated Financial Statements – Annexure VI – Part C: Non Adjusting Items*” on page 269.

## QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our principal financial liabilities comprises of short term loan, loan from directors, trade payables and lease liabilities. The main purpose of these financial liabilities is to finance our operations. Our principal financial assets include trade receivables, investments, fixed deposit and cash and cash equivalents that derive directly from its operations.

We are exposed to market risk, credit risk and liquidity risk. Our senior management oversees the management of these risks. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

### *Market Risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. We do not have significant market risk as we predominantly render services in the domestic market. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

### *Interest Risk*

We have no significant borrowings on the financial statement hence are not subject to interest rate risk. We have

short term borrowings in the nature of cash credit facility from banks.

### ***Commodity Risk***

The commodity is not exposed to risks in fluctuation of prices of materials, which are used as key inputs. Historically, as a practice, and as per the understanding with the customers, we have passed on any increase in the cost of materials to customers and do not foresee a significant risk to our statement of profit and loss on account of fluctuations in the prices of materials.

### ***Credit Risk***

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from operating activities (primarily trade receivables) and from financing activities, including deposits with banks.

Customer credit risk is managed by each business unit. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. We evaluate the concentration of risk with respect to trade receivables as low, as customers are located in several jurisdictions and industries and operate in largely independent markets. No single customer accounted for more than 10% of the accounts receivable as at March 31, 2021, March 31, 2020 and March 31, 2019.

### ***Financial instruments and bank deposits***

Credit risk from balances with banks, mutual funds, loans and other financial assets are managed by our treasury department in accordance with our policy. Investments of surplus funds are made only with approved counterparties having a good market reputation and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### ***Equity Price Risk***

We have investments only in non-listed equity securities and mutual funds.

### ***Liquidity Risk***

Liquidated risk is the risk that we cannot meet our financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure that funds are available as per requirements. We constantly generate cashflows from operation to meet our financial obligations when they fall due. We monitor our risk of shortage of funds. We assessed the concentration of risk and concluded it to be low.

### ***Foreign Exchange Risk***

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities (when revenue or expense is denominated in a foreign currency). Our exposure is limited.

### ***Inflation***

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

## **UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS**

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

## **SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*” and the uncertainties described in “*Risk Factors*” on pages 332 and 31, respectively.

## **KNOWN TRENDS OR UNCERTAINTIES**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*” and the uncertainties described in “*Risk Factors*” on pages 332 and 31, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

## **FUTURE RELATIONSHIP BETWEEN COST AND INCOME**

Other than as described in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 31, 147 and 328 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

## **NEW PRODUCTS, SERVICES OR BUSINESS SEGMENTS**

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products, services or business segments.

## **COMPETITIVE CONDITIONS**

We operate in a competitive environment. See “*Risk Factors*”, “*Industry Overview*”, “*Our Business*” and on pages 31, 105 and 147, respectively, for further details on competitive conditions that we face.

## **EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES**

Changes in revenue in the last three Fiscals are as described in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2021 compared to Fiscal 2020*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2020 compared to Fiscal 2019*” above on pages 350 and 353, respectively.

## **TOTAL TURNOVER OF EACH MAJOR INDUSTRY SEGMENT IN WHICH THE COMPANY OPERATED**

We are engaged in the delivery of cyber security, digital solution, and integrated enterprise solutions.

## **SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS**

Revenue from one external customer amounted to ₹ 1,261.42 million which represented 15.86% of total revenue from contracts with customers in Fiscal 2021.

## **SEASONALITY/ CYCLICALITY OF BUSINESS**

Our business is not subject to seasonality or cyclicity. For further information, see “*Industry Overview*” and “*Our Business*” on pages 105 and 147, respectively.

## **SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2021 THAT MAY AFFECT OUR FUTURE**

## RESULTS OF OPERATIONS

Except as disclosed below and elsewhere in this Draft Red Herring Prospectus, there have been no significant developments after March 31, 2021 that may affect our trading or profitability, the value of our assets; or our ability to pay our liabilities, and future results of operations.

- Pursuant to a resolution of the Board of Directors passed in its meeting held on May 26, 2021 and a resolution of Shareholders passed in their extraordinary general meeting held on June 1, 2021, each fully paid up equity share of the Company of face value ₹ 10 was split into 2 (Two) Equity Shares of ₹ 5 each fully paid-up, and accordingly, 6,043,565 equity shares of the Company of ₹ 10 each were split into 12,087,130 Equity Shares of ₹ 5 each.
- On June 28, 2021, the Company has allotted 60,435,650 bonus shares of ₹ 5 each fully paid-up in the proportion of 5 (Five) equity shares for every 1 (One) equity share of ₹ 5 each fully paid-up held by the equity shareholders of the Company as on the record date for the bonus issue, i.e. June 18, 2021.

## FINANCIAL INDEBTEDNESS

We avail loans and financing facilities in the ordinary course of our business for meeting our working capital and business requirements. For details of the borrowing powers of our Board, see “*Our Management- Borrowing Powers*” on page 192.

We have obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Offer, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents and change in the composition of our Board.

The details of the indebtedness of our Company (on a consolidated basis) as on July 31, 2021 is provided below:

*(in ₹ million, unless stated otherwise)*

Category of borrowing	Sanctioned amount (to the extent applicable)	Principal amount outstanding
<b>Working capital facilities</b>		
<i>Secured</i>		
Fund based	690.00	495.57
Non-fund based	2,310.00	- <sup>#</sup>
<b>Total (A)</b>	<b>3,000.00</b>	<b>495.57</b>
<i>Unsecured</i>		
Fund based	-	570.60
Non-fund based	-	-
<b>Total (B)</b>	<b>-</b>	<b>570.60</b>
<b>Total Working Capital facilities (A+B)</b>	<b>3,000.00</b>	<b>1,066.17</b>
<b>Term loan facilities</b>		
Secured (C1)	950.00	950.00
Unsecured (C2)	-	-
<b>Total term loan facilities (C=C1+C2)</b>	<b>950.00</b>	<b>950.00</b>
<b>Total borrowings (A+B+C)</b>	<b>3,950.00</b>	<b>2,016.17</b>

*# As at July 31, 2021, we had utilised non-fund based limit amounting ₹2,097.51 million*

*Note: As certified by Lodha & Co, Chartered Accountants, pursuant to their certificate dated August 13, 2021.*

### Principal terms of the borrowings availed by us:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financing documentation executed by us in relation to our indebtedness.

1. **Interest:** In terms of the facilities availed by us, the interest rate is typically the base rate of a specified lender and spread per annum. The spreads are different for different facilities. Cash credit sub-limits typically have an interest rate in the range of 9.90% to 10.55% per annum.
2. **Penal Interest:** The terms of certain financing facilities availed by us prescribe penalties for non-compliance of certain obligations by us. These include, *inter alia*, non-submission of annual financial statements and stock statements/ book debt statements/ financial follow-up reports valid insurance, non-perfection of security within permitted timelines, irregularity/ overdrawing in the account *etc.* Further, the default interest payable on the facilities availed by us typically ranges from 0.25% to 6% *per annum*.
3. **Pre-payment penalty:** The terms of facilities availed by us typically do not have prepayment provisions.
4. **Validity/Tenor:** The tenor of the of the guarantee facilities typically ranges from 12 to 66 months, including claim period, subject to periodic review by the relevant lender. Further, the tenor of cash credit sub-limits issued to us is typically 12 months.
5. **Security:** In terms of our secured borrowings, we are required to *inter alia*:
  - (a) create charge over our present and future current assets;
  - (b) create charge over our immovable properties as primary/collateral security;
  - (c) furnish corporate guarantee and personal guarantees by our Promoters.

6. **Repayment:** The unsecured facilities are repayable on demand. The term loan facility is repayable in 18 equal quarterly instalments after a moratorium period of 6 months.
7. **Key Covenants:** Certain of our borrowing arrangements provide for covenants restricting certain corporate actions, and we are required to take the prior approval of the relevant lender before undertaking such corporate actions, such as following:
  - (d) effecting any change of control and ownership;
  - (e) effecting any change in our capital structure including proposed equity and debt patterns;
  - (f) permitting any change in its constitution/management or enter into arrangement whereby its business/operations are managed or controlled by another person;
  - (g) making any amendments in the Memorandum of Association or Articles of Association;
  - (h) encumber, sell, assign, mortgage or dispose of its assets;
  - (i) undertake or permit any merger, de-merger, consolidation, reorganization, dissolution or reconstitution scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction or dissolution or reconstitution including creation of any subsidiary or permit any company to become its subsidiary;
  - (j) repay or prepay any principal or interest on any loans availed by the Company;
  - (k) declare or pay any dividend except out of the profits of the current year;
  - (l) recognize or register any transfer of shares in the Borrower's capital made or to be made by the promoters and their associates;
  - (m) undertake guarantee obligation on behalf of any other company, including group company; and
  - (n) enter into borrowing arrangements, either secured or unsecured, with any other bank or financial institution.
8. **Events of default:** Borrowing arrangements entered into by us, contain standard events of default, including:
  - (a) default in payment of interest or instalment amount due;
  - (b) breach of any statement, representation, warranty, covenant or confirmation contained in the transaction documents;
  - (c) any default under any other facility from any bank or financial institution ;
  - (d) any change of ownership, control and/or management of the Company;
  - (e) failure to create/or perfect security, or security in jeopardy;
  - (f) cessation of all or substantial part of its business;
  - (g) attachment or distress levied on the Company's assets or any order/certificate for recovery of dues which has not been vacated
  - (h) occurrence of a material adverse effect (as defined in the relevant financing document);
  - (i) failure to pay amounts due pursuant to any final judgment, decree or court order; and
  - (j) any proceedings or investigations pending against the Company, its affiliates and/or its promoters, and directors which could have a material adverse effect.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Directors, or Promoters; (ii) actions by statutory or regulatory authorities involving our Company, Subsidiaries, Directors, or Promoters; (iii) claims relating to direct and indirect taxes involving our Company, Subsidiaries, Directors, or Promoters, in a consolidated manner; and (iv) litigations or arbitration proceedings involving our Company, Subsidiaries, Directors or Promoters (other than proceedings covered under (i) to (iii) above) which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below).*

*In accordance with the Materiality Policy, all pending litigation or arbitration proceedings (other than outstanding criminal proceedings, actions by statutory or regulatory authorities and claims relating to direct and indirect taxes mentioned in point (i) to (iii) above) involving our Company, Subsidiaries, Directors and Promoters (“**Relevant Parties**”):*

- i. where the aggregate monetary claim made by or against the Relevant Parties (individually or in aggregate), in any such pending litigation or arbitration proceeding is equal to or in excess of (i) three percent of the consolidated profit after tax of our Company; or (ii) three percent of the consolidated total income of our Company, whichever is lower, in the most recently completed Fiscal as per the Restated Consolidated Financial Statements.*

*The consolidated profit after tax of our Company for Fiscal 2021 as per the Restated Consolidated Financial Statements was ₹361.49 million while the consolidated total income of our Company for Fiscal 2021 was ₹8,138.98 million. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against the Relevant Parties (individually or in aggregate), in any such pending litigation or arbitration proceeding equal to or in excess of ₹10.85 million (being three per cent of our consolidated profit after tax in Fiscal 2021 as per the Restated Consolidated Financial Statements); or*

- ii. where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company.*

*have been considered “material” and accordingly have been disclosed in this Draft Red Herring Prospectus.*

*Further, there are no: (i) disciplinary actions (including penalties) imposed by SEBI or a recognized stock exchange against our Promoters in the last five Fiscals immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action; and (ii) outstanding litigation involving the Group Companies, which may have a material impact on our Company.*

*Further, in accordance with the Materiality Policy, our Company has considered such creditors ‘material’ to whom the amount due is equal to or in excess of 5% of the consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Statements. The consolidated trade payables of our Company as on March 31, 2021 was ₹ 3,801.10 million. Accordingly, a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹190.06 million as on March 31, 2021.*

*For the purposes of the above, pre-litigation notices received by our Company, Subsidiaries, Promoters, Directors or Group Companies from third parties (excluding those notices issued by statutory or regulatory or taxation authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that our Company, or such Subsidiary, Promoter, Director or Group Company, as the case may be, is impleaded as a defendant in litigation before any judicial or arbitral forum.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.*

### LITIGATION INVOLVING OUR COMPANY

(a) **Outstanding litigation proceedings against our Company**

(i) *Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against our Company.

(ii) *Outstanding actions by regulatory or statutory authorities*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities against our Company.

(iii) *Other material pending proceedings*

Abbott Point of Care Inc. (“**Abbott**”) has filed an application dated December 11, 2019 before the National Company Law Tribunal, Mumbai Bench for initiation of corporate insolvency resolution process against our Company under Section 9 of the Insolvency and Bankruptcy Code, 2016 for failure to pay operational debt of ₹63.60 million (“**Application**”) arising out of a distribution agreement between Abbott and our Company for purchase of certain medical devices and related products by our Company. Abbott has additionally claimed 1.5% interest per month till the date of realization of amount due. Our Company has filed its response to the Application *vide* affidavits dated January 22, 2020 and March 17, 2021. The matter is currently pending.

(iv) **Tax proceedings**

Except as mentioned below, there are no pending claims related to direct and indirect taxes against our Company as on the date of this Draft Red Herring Prospectus:

Nature of proceeding	Number of proceedings outstanding	Amount involved* (in ₹million)
Direct tax	4	16.08
Indirect tax	10	23.48
<b>Total</b>	<b>14</b>	<b>39.56</b>

\* To the extent quantified.

(b) **Outstanding litigation proceedings by our Company**

(i) *Criminal proceedings*

Our Company has filed a complaint in August 2020 under Section 138 of the Negotiable Instruments Act, 1881 before the Metropolitan Magistrate at Esplanade, Mumbai against Silver Touch Technologies Limited and certain of its directors for dishonour of two cheques for a total amount of ₹20.00 million. The matter is currently pending.

(ii) *Other pending proceedings*

Our Company and Inspira IT Products Private Limited, a member of our Promoter Group have filed a suit dated June 22, 2015 before the Bombay High Court against Tata Consultancy Services Limited (“**Respondent 1**”) and SAP India Private Limited (“**Respondent 2**” and together with Respondent 1, “**Respondents**”). Our Company supplied to Respondent 1 certain licenses and software, some of which were procured from Respondent 2. Our Company has claimed that Respondent 1 failed to make payments towards its purchases and instead through coercion and commercial duress, induced our Company to enter into (i) settlement agreement dated December 24, 2014 for payment of ₹ 1,227.6 million by the Respondent 1 towards its existing dues; (ii) payment agreement dated December 24, 2014 for extension of certain licenses from Respondent 2 for which our Company had to provide security in terms of bank guarantee and cheque; (iii) amendment agreement dated March 31, 2015 for procurement of additional licenses by our Company as and when required by Respondent 1 (together “**Agreements**”). Our Company has prayed for *inter alia*, decree that the Agreements be declared voidable, interim injunction preventing enforcement of the Agreements, and payment by Respondents of ₹ 109.78 million, with further interest of 24% from June 20, 2015. Respondent 1 has filed its response dated



September 1, 2015. The matter is currently pending.

## **LITIGATION INVOLVING OUR SUBSIDIARIES**

### **(a) *Outstanding litigation proceedings against our Subsidiaries***

#### *(i) Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated against our Subsidiaries.

#### *(ii) Actions by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by any statutory or regulatory authority against our Subsidiaries.

#### *(iii) Other pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending proceedings initiated against our Subsidiaries, which have been considered material by our Company in accordance with the Materiality Policy.

#### *(iv) Claims related to direct and indirect taxes*

As on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes against any of our Subsidiaries.

### **(b) *Outstanding litigation proceedings initiated by our Subsidiaries***

#### *(i) Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by our Subsidiaries.

#### *(ii) Other pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending proceedings initiated by our Subsidiaries, which have been considered material by our Company in accordance with the Materiality Policy.

## **LITIGATION INVOLVING OUR DIRECTORS**

### **(i) *Outstanding litigation proceedings against Directors***

#### *(i) Criminal proceedings against our Directors*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated against our Directors.

#### *(ii) Actions by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by any statutory or regulatory authority against our Directors.

#### *(iii) Other pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no proceedings pending against our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

#### *(iv) Claims related to direct and indirect taxes*

As on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct

and indirect taxes initiated against our Directors.

**(ii) Outstanding litigation proceedings by our Directors**

*(i) Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by any of our Directors.

*(ii) Other pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending proceedings initiated by any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

**LITIGATION INVOLVING OUR PROMOTERS**

**(a) Outstanding litigation proceedings against our Promoters**

*(i) Criminal proceedings*

As on date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against any of our Promoters.

*(ii) Actions by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by any statutory or regulatory authority against our Promoters.

*(iii) Other pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no proceedings pending against our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

*(iv) Claims related to direct and indirect taxes*

As on the date of this Draft Red Herring Prospectus there are no pending claims related to direct and indirect taxes initiated against our Promoters.

**(b) Outstanding litigation proceedings by our Promoters**

*(i) Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by any of our Promoters.

*(ii) Other pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending proceedings initiated by any of our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

**OUTSTANDING DUES TO CREDITORS**

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of five percent of the consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Statements, *i.e.* ₹ 190.06 million, as of March 31, 2021 ("**Material Creditors**").

The details of the total outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006) ("**Small Scale Creditors**"),

Material Creditors and creditors other than small scale creditors (“**Other Creditors**”) as on March 31, 2021 is as set forth below:

<b>Particulars</b>	<b>Number of creditors</b>	<b>Amount involved (₹ in million)</b>
Dues to Small Scale Creditors	35	175.45
Dues to Material Creditor(s)	3	1,310.50
Dues to Other Creditors	660	2,315.15*
<b>Total</b>	<b>698</b>	<b>3,801.10</b>

\***Note:** The amount includes the balances with respect to certain provisions and other payables in respect of which the number of creditors has been considered as nil.

For details of outstanding dues to the Material Creditors (referenced above) as on March 31, 2021, (along with the names and amounts involved for each such Material Creditor) see [https://www.inspiraenterprise.com/investors/Outstanding\\_Dues\\_of\\_Creditors.pdf](https://www.inspiraenterprise.com/investors/Outstanding_Dues_of_Creditors.pdf)

It is clarified that information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, [www.inspiraenterprise.com](http://www.inspiraenterprise.com) would be doing so at their own risk.

### **Material Developments**

Other than as stated in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 328, no circumstances have arisen since March 31, 2021, the date of the last Restated Consolidated Financial Statements disclosed in this Draft Red Herring Prospectus, which may materially and adversely affect, or are likely to affect our profitability, our operations, the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein, our Company has received the necessary consents, licenses, permissions, registrations, and approvals from the Government of India, various governmental agencies and other statutory and / or regulatory authorities required for carrying out our present business activities. Except as mentioned below, no further material approvals are required for carrying out our present business activities. Our Company undertakes to obtain all material approvals, licenses and permissions required to operate our present business activities, including such material approvals, licenses, and permissions as may be necessary to undertake our business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Red Herring Prospectus, and in case of licenses and approvals which have expired, we have either made an application for renewal, or are in the process of making an application for renewal. For further details in connection with the applicable regulatory and legal framework, see “Risk Factors” and “Key Regulations and Policies in India” on pages 31 and 169, respectively. As on date of this Draft Red Herring Prospectus, our Company does not have any “material subsidiaries” in terms of the definition of such term SEBI Listing Regulations.

For Offer related approvals, see “Other Regulatory and Statutory Disclosures” on page 372 and for incorporation details of our Company, see “History and Certain Corporate Matters” on page 174.

### Material approvals in relation to our Company’s business and operations

For information on our business operations, see “Our Business” on page 147. A list of the material approvals required by us to undertake our business, as applicable on the date of this Draft Red Herring Prospectus, is set out below.

#### (a) Registrations under employment laws

The registrations and approvals obtained by our Company under applicable labour laws, include the following:

- (i) Certificates of registration under the shops and establishment legislations applicable in the states in which our Registered and Corporate Office and other offices are located.
- (ii) Registration for employees’ provident fund issued by the Office of the Regional Provident Fund Commissioner under the Employees’ Provident Funds and Miscellaneous Provision Act, 1952 and the scheme framed thereunder; and
- (iii) Registration for employees insurance issued by the Sub-Regional Office, Employees State Insurance Corporation, under the Employee State Insurance Corporation in relation to implementation of the ESI Act 1948 and registration of the factories and establishment under Section 1(5) of the ESI Act.

#### (b) Foreign Trade Related Approvals

Importer – Exporter Code, issued by the Office of the Additional Director General of Foreign Trade, Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India, and Legal Entity Identifier code by Legal Entity Identifier India Limited.

#### (c) Tax related Approvals

- (i) Permanent account number issued by the Income Tax Department under the Income Tax Act, 1961;
- (ii) Tax deduction account number issued by the Income Tax Department under the Income Tax Act, 1961;
- (iii) Goods and services tax registrations in the states where our Company operates; and
- (iv) Certificate of registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975, The West Bengal State Tax on Professions, Trades, Callings and

Employments Rules 1979 and Karnataka Tax on Professions, Traders, Calling and Employment Act, 1976.

## **Intellectual Property Rights**

### **Registered Trademarks**

Our Company has obtained trademark registrations under the Trade Marks Act, 1999 with respect to “Inspira” (under class 35). Further, we have obtained trademark registrations under the Trade Marks Act, 1999 with respect to the word and logo “Ankios” (under class 42).

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

The Offer has been authorized by a resolution of our Board dated August 2, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated August 3, 2021.

Our Board has approved this Draft Red Herring Prospectus pursuant to their resolution dated August 13, 2021.

Prakash Jain, Manjula Jain Family Trust and Prakash Jain Family Trust have consented to participate in the Offer for Sale pursuant to each of their consent letters dated August 2, 2021, respectively, and have consented to offer such number of Equity Shares aggregating up to ₹ 1,310.80 million, ₹ 917.70 million and up to ₹ 2,771.50 million, respectively, in the Offer for Sale.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters (including the Promoter Selling Shareholders), our Directors and the members of the Promoter Group are not prohibited from accessing the capital markets and are not debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Our Company, our Promoters, the members of our Promoter Group and Directors are not declared as fraudulent borrowers by any lending banks, financial institution or consortium, in accordance with the terms of the 'Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI.

### Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters (including the Promoter Selling Shareholders) and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable.

### Directors associated with the Securities Market

None of the Directors are, in any manner, associated with the securities market. There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

### Eligibility for the Offer

Our Company is undertaking the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states the following:

*An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.*

We are an unlisted company not complying with the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations.

We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations. Not less than 75% of the Offer is proposed to be allocated to QIBs and in the event that we fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

- (a) None of our Company, our Promoters, members of our Promoter Group, our Directors or the Promoter Selling Shareholders are debarred from accessing the capital markets by SEBI.
- (b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.
- (c) None of our Company, our Promoters or Directors is a Wilful Defaulter.
- (d) None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.
- (e) There are no fully paid up convertible securities that are required to be converted on or before the filing of the Red Herring Prospectus.
- (f) Except for the options which may be granted under ESOP 2021, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Each of the Promoter Selling Shareholders confirm that they have held their respective portion of the Offered Shares for a continuous period of at least one year prior to the date of this Draft Red Herring Prospectus and accordingly each of the Promoter Selling Shareholders confirm that they are in compliance with Regulation 8 of the SEBI ICDR Regulations and, to the extent that the Equity Shares being offered by such Promoter Selling Shareholder in the Offer have not been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus, such Equity Shares have resulted from a bonus issue on the Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE MANAGERS, AXIS CAPITAL LIMITED, JM FINANCIAL LIMITED, NOMURA FINANCIAL ADVISORY AND SECURITIES (INDIA) PRIVATE LIMITED, SBI CAPITAL MARKETS LIMITED AND YES SECURITIES (INDIA) LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 13, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO**

**TAKE UP, AT ANY POINT OF TIME, WITH THE MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

**Disclaimer from our Company, our Directors, the Promoter Selling Shareholders and the Managers**

Our Company, the Directors, the Promoter Selling Shareholders and the Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.inspiraenterprise.com](http://www.inspiraenterprise.com), or any websites of our Subsidiaries, Joint Ventures or Group Companies, would be doing so at his or her own risk.

The Managers accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the Promoter Selling Shareholders and the Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, employees and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholders, our Subsidiaries, our Group Companies, and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter Selling Shareholders, our Subsidiaries, our Group Companies, and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

**Disclaimer in respect of Jurisdiction**

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an offer to sell or invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India, to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

**Eligibility and Transfer Restrictions**



**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.**

#### **Disclaimer Clause of BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

#### **Disclaimer Clause of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

#### **Listing**

[●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications been made to BSE and NSE for permission to deal in and for an official quotation of the Equity Shares.

#### **Consents**

Consents in writing of the Promoter Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Legal Counsel to the Company and Promoter Selling Shareholders as to Indian law, Legal Counsel to the Managers as to Indian law, International Legal Counsel to the Managers, Banker(s) to our Company, the Managers, the Registrar to the Offer, Frost & Sullivan, have been obtained; and consents in writing of the Syndicate Members, Sponsor Bank, Escrow Collection Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

#### **Expert to the Offer**

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

Our Company has received written consent dated August 13, 2021 from S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated August 13, 2021 on our Restated Consolidated Financial Statements; and (ii) their report dated August 13, 2021 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received a written consent dated August 13, 2021 from our Predecessor Statutory Auditor, namely, Lodha & Co., Chartered Accountants, to include their name in this Draft Red Herring Prospectus as required under Section 26(5) of the Companies Act and as an “expert” as defined under Section 2(38) of the Companies Act in respect of their reports dated December 31, 2020 and November 13, 2019 issued on the audited consolidated financial statements of our Company for the Financial Years ended March 31, 2020 and March 31, 2019 respectively, and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus

with the SEBI.

### Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

### Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

### Capital issue during the previous three years

Other than as disclosed in “*Capital Structure-Notes to the Capital Structure*”, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, none of our Subsidiaries have their equity shares listed on any stock exchanges in India or overseas.

### Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public or rights issue in the five years preceding the date of this Draft Red Herring Prospectus

None of our Subsidiaries are listed on any stock exchange.

### Capital issue during the previous three years by listed Group Companies, Subsidiaries and Joint Ventures of our Company

None of the securities of any of our Group Companies, Subsidiaries or Joint Ventures are listed on any stock exchange.

### Price information of past issues handled by the Managers (during the current Fiscal and two Fiscals preceding the current Fiscal)

#### Track record of past issues handled by the Managers

##### 1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Clean Science And Technology Limited	15,466.22	900.00	19-Jul-21	1,755.00	-	-	-
2.	India Pesticides Limited	8,000.00	296.00	5-Jul-21	350.00	+12.64%, [+1.87%]	-	-
3.	Krishna Institute Of Medical Sciences Limited <sup>1</sup>	21,437.44	825.00	28-Jun-21	1,009.00	+48.10%, [-0.43%]	-	-
4.	Dodla Dairy Limited	5,201.77	428.00	28-Jun-21	550.00	+44.94%, [-0.43%]	-	-
5.	Shyam Metals And Energy Limited <sup>2</sup>	9,085.50	306.00	24-Jun-21	380.00	+40.95%, [+0.42%]	-	-
6.	Macrotech Developers Limited	25,000.00	486.00	19-April-21	436.00	+30.22%, [+5.21%]	+75.43%, [+10.89%]	-
7.	Barbeque – Nation Hospitality Limited	4,528.74	500.00	07-April-21	489.85	+18.77%, [-0.64%]	+76.97%, [+6.85%]	-
8.	Suryoday Small Finance Bank Limited <sup>3</sup>	5,808.39	305.00	26-Mar-21	292.00	-18.38%, [-1.14%]	-26.87%, [+8.13%]	-
9.	Kalyan Jewellers	11,748.16	87.00	26-Mar-21	73.95	-24.60%, [-1.14%]	-7.07%, [+8.13%]	-

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
	India Limited <sup>#</sup>							
10.	Craftsman Automation Limited	8,236.96	1,490.00	25-Mar-21	1,359.00	-13.82%, [+0.11%]	+16.81%, [+10.11%]	-

Source: [www.nseindia.com](http://www.nseindia.com)

\$ Offer Price was ₹275.00 per equity share to Eligible Employees

# Offer Price was ₹79.00 per equity share to Eligible Employees

@ Offer Price was ₹291.00 per equity share to Eligible Employees

! Offer Price was ₹785.00 per equity share to Eligible Employees

Notes:

- Issue Size derived from Prospectus/final post issue reports, as available.
- The CNX NIFTY is considered as the Benchmark Index.
- Price on NSE is considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Table 2: Summary statement of disclosure

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022*	7	88,719.67	-	-	-	-	4	2	-	-	-	-	-	-
2020-2021	11	93,028.90	-	-	6	2	1	2	-	-	-	2	1	2
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

\* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

## 2. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by JM Financial Limited

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1.	Rolex Rings Limited	7,310.00	900.00	August 09, 2021	1,250.00	Not Applicable	Not Applicable	Not Applicable
2.	Tatva Chintan Pharma Chem Limited	5,000.00	1,083.00	July 29, 2021	2,111.85	Not Applicable	Not Applicable	Not Applicable
3.	Clean Science and Technology Limited	15,466.22	900.00	July 19, 2021	1,755	Not Applicable	Not Applicable	Not Applicable
4.	India Pesticides Limited	8,000.00	296.00	July 5, 2021	350.00	12.64% [1.87%]	Not Applicable	Not Applicable
5.	Shyam Metals and Energy Limited <sup>7</sup>	9,085.50	306.00	June 24, 2021	380.00	40.95% [0.42%]	Not Applicable	Not Applicable
6.	Sona BLW Precision Forgings Limited	55,500.00	291.00	June 24, 2021	301.00	45.45% [0.42%]	Not Applicable	Not Applicable
7.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [5.21%]	75.43% [10.89%]	Not Applicable
8.	Anupam Rasayan India Limited <sup>8</sup>	7,600.00	555.00	March 24, 2021	520.00	-0.11% [-0.98%]	30.49% [8.23%]	Not Applicable
9.	Easy Trip Planners Limited	5,100.00	187.00	March 19, 2021	212.25	-7.27% [-0.86%]	124.68% [6.94%]	Not Applicable
10.	MTAR Technologies Limited	5,964.14	575.00	March 15, 2021	1050.00	69.45% [-2.84%]	78.83% [5.83%]	Not Applicable

Source: [www.nseindia.com](http://www.nseindia.com) for price information and prospectus/basis of allotment for issue details

Note:

- Opening price information as disclosed on the website of NSE.

2. Change in closing price over the issue/offer price as disclosed on NSE.
3. Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.
4. In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.
5. 30<sup>th</sup> calendar day has been taken as listing date plus 29 calendar days; 90<sup>th</sup> calendar day has been taken as listing date plus 89 calendar days; 180<sup>th</sup> calendar day has been taken as listing date plus 179 calendar days.
6. Restricted to last 10 issues.
7. A discount of 4.90 % on the Offer Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion ("Employee Discount") equivalent to ₹ 15 per Equity Share.
8. A discount of Rs. 55 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
9. Not Applicable – Period not completed

Table 2: Summary Statement of Disclosure

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ Mn)	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022	7	1,25,361.72	-	-	-	-	3	1	-	-	-	-	-	-
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	3	1	1
2019-2020	4	36,400.83*	-	-	1	-	1	2	-	1	1	-	1	1

\*\* Spandana Sphoorty Financial Limited raised Rs. 11,898.49 million as against the issue size of Rs. 12,009.36 million

3. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Nomura Financial Advisory and Securities (India) Private Limited

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1.	Sona BLW Precision Forgings	55,500	291	June 24, 2021	301.00	+45.45% [+0.47%]	Not applicable	Not applicable
2.	Nazara Technologies	5,826.91	1,101 <sup>1</sup>	March 30, 2021	1,990.00	+62.57% [+0.13%]	+38.22% [+6.84%]	Not applicable
3.	Gland Pharma	64,795.45	1,500	November 20, 2020	1,710.00	+48.43% [+7.01%]	+57.27% [+18.27%]	+104.17% [17.49%]
4.	Computer Age Management Services Limited	22,421.05	1,230 <sup>2</sup>	October 1, 2020	1,518.00	+5.43% [+2.37%]	+49.52% [+23.04%]	+43.80% [+26.65%]
5.	Happiest Minds Technologies	7,020.16	166	September 17, 2020	350.00	+96.05% [+2.14%]	+93.25% [+17.82%]	+221.27% [+29.64%]
6.	SBI Cards & Payment Services Limited	103,407.88	755 <sup>3</sup>	March 16, 2020	661.00	-33.05%, [-2.21%]	-21.79%, [+8.43%]	+12.50% [+24.65%]
7.	Affle (India) Limited	4,590.00	745	August 8, 2019	926.00	+12.56%, [-0.78%]	+86.32%, [+8.02%]	+135.49%, [+6.12%]

Source: www.nseindia.com

1. Discount of INR110.00 per Equity Share was offered to eligible employees bidding in the Employee Reservation Portion
2. Discount of INR122.00 per Equity Share was offered to eligible employees bidding in the Employee Reservation Portion
3. Price for Eligible Employees bidding in the Employee Reservation Portion was INR680.00 per equity share

Notes:

- a. Nifty is considered as the benchmark index except for Computer Age Management Services Limited where SENSEX is considered as benchmark index
- b. Price on NSE is considered for all of the above calculations except for Computer Age Management Services Limited.
- c. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on NSE of the previous trading day has been considered.
- d. Not applicable – Period not completed

Table 2: Summary Statement of Disclosure

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ Mn)	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%

2021-2022	1	55,500.00	-	-	-	-	1	-	-	-	-	-	-
2020-2021	4	100,063.57	-	-	-	2	1	1	-	-	-	2	1
2019-2020	2	107,997.88	-	1	-	-	-	1	-	-	-	1	1

Source: www.nseindia.com

Notes:

- a) The information is as on the date of this document.  
b) The information for each of the financial years is based on issues listed during such financial year.

4. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Glenmark Life Sciences Limited	15,136.00	720.00	August 06, 2021	750.00	NA	NA	NA
2	G R Infraprojects Limited <sup>(1)</sup>	9,623.34	837.00	July 19, 2021	1,715.85	NA	NA	NA
3	Shyam Metals and Energy Limited <sup>(2)</sup>	9,085.50	306.00	June 24, 2021	380.00	40.95% [+0.42% ]	NA	NA
4	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [+5.21%]	75.43% [+10.89%]	NA
5	Barbeque-Nation Hospitality Limited	4,528.74	500.00	April 07, 2021	489.85	18.77% [-0.64%]	76.97% [+6.85%]	NA
6	Suryoday Small Finance Bank Ltd <sup>(3)</sup>	5,808.39	305.00	March 26, 2021	292.00	-18.38% [-1.14%]	-27.48% [+8.84%]	NA
7	Kalyan Jewellers India Ltd <sup>(4)</sup>	11,748.16	87.00	March 26, 2021	73.95	-24.60% [-1.14%]	-8.33% [+8.84%]	NA
8	Railtel Corporation of India Limited	8,192.42	94.00	February 26, 2021	109.00	35.64% [-0.15%]	37.50% [+5.32%]	NA
9	Indian Railway Finance Corporation Ltd	46,333.79	26.00	January 29, 2021	24.90	-5.19% [+6.56%]	-18.65% [+9.02%]	-11.15% [+15.49%]
10	Mrs. Bectors Food Specialities Limited <sup>(5)</sup>	5,405.40	288.00	December 24, 2020	500.00	37.69% [+4.53%]	19.93% [+7.75%]	40.59% [+14.53%]

Source: www.nseindia.com

Notes:

\* The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.

\* The Nifty 50 index is considered as the Benchmark Index

- 1 Price for eligible employee was Rs 795.00 per equity share
- 2 Price for eligible employee was Rs 291.00 per equity share
- 3 Price for eligible employee was Rs 275.00 per equity share
- 4 Price for eligible employee was Rs 79.00 per equity share
- 5 Price for eligible employee was Rs 273.00 per equity share

Table 2: Summary Statement of Disclosure

Financial Year	Total no. of IPOs #	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%
2021-22*	5	63,373.58	-	-	-	-	2	1	-	-	-	-	-	-
2020-21*	7	1,05,087.00	-	-	5	-	2	-	-	1	3	-	-	-
2019-20	3	138,283.86	-	1	1	1	-	-	1	-	-	1	-	1

\* The information is as on the date of this Offer Document.

# Date of Listing for the issue is used to determine which financial year that particular issue falls into

5. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by YES Securities (India) Limited

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	+30.22% [+5.21%]	+75.43% [+10.89%]	-
2.	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	+18.90% [+5.87%]	+52.90% [+20.25%]	+45.79% [+24.34]
3.	Indian Railway Catering and Tourism Corporation Limited	6,379.72	320.00	October 14, 2019	626.00	+191.53% [+5.05%]	+186.64% [+8.07%]	+291.84% [-19.66%]
4.	Sterling and Wilson Solar Limited	28,496.38	780.00	August 20, 2019	706.00	-21.88% [-1.60%]	-48.63% [+7.97%]	-64.78% [+9.95%]
5.	Spandana Sphoorty Financial Limited	11,898.49	856.00	August 19, 2019	825.00	-0.56% [-2.14%]	+52.76% [+7.61%]	+17.32% [+9.59%]
6.	Polycab India Limited	13,452.60	538.00	April 16, 2019	633.00	+15.36% [-5.35%]	+14.70% [-1.99%]	+23.76% [-4.09%]
7.	Rail Vikas Nigam Limited	4,768.61	19.00	April 11, 2019	19.00	+19.47% [-2.74%]	+40.26% [-0.35%]	+20.53% [-4.06%]

Notes:

1. Benchmark Index taken as CNX NIFTY
2. Price on NSE is considered for the above calculations
3. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index on the day of the listing date.
4. If either of the 30th, 90th or 180th calendar day is a trading holiday, the previous trading day has been considered for the computation.

Table 2: Summary Statement of Disclosure

Financial Year	Total No. of IPO's	Total Funds Raised (in Mn) ₹	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar days from listing		
			Ove r 50%	Betwe n 25-50%	Less than 25 %	Ove r 50%	Betwe n 25-50%	Less than 25 %	Ove r 50%	Betwe n 25-50%	Less than 25 %	Ove r 50%	Betwe n 25-50%	Less than 25 %
2021-2022	1	25,000.00	-	-	-	-	1	-	-	-	-	-	-	
2020-2021	1	4,436.86	-	-	-	-	-	1	-	-	-	1	-	
2019-2020	5	64,995.80	-	-	2	1	-	2	1	-	-	1	3	

Notes:

Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. The information for the financial year is based on issue listed during such financial year.

### Website for track record of the Managers

Name	Website
Axis Capital Limited	www.axiscapital.co.in
JM Financial Limited	www.jmfl.com
Nomura Financial Advisory and Securities (India) Private Limited	www.nomura.com
SBI Capital Markets Limited	www.sbicaps.com
YES Securities (India) Limited	www.yesinvest.in

### Stock Market Data of Equity Shares

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

### Redressal of Investor Grievances

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the Managers, in the manner provided below.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond the period prescribed. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications for the stipulated period.

The agreement between the Registrar to the Offer, our Company and the Promoter Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All Offer-related grievances other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as full name of the sole or First Bidder, ASBA Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than RIIs using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of RIIs using the UPI Mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Manager where the Bid cum Application Form was submitted by the Anchor Investor.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

We shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details, please see "*Our Management*" on page 186.

Our Company has also appointed Sachin Poptani, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, "*General Information- Company Secretary and Compliance Officer*" beginning on page 67.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus

None of our Group Companies are listed on any stock exchange.

**Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

**Other confirmations**

Any person connected with the Offer shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Offer.



## SECTION XI – OFFER RELATED INFORMATION

### TERMS OF THE OFFER

The Equity Shares being offered Allotted pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

#### The Offer

The Offer comprises a Fresh Issue and an Offer for Sale by the Promoter Selling Shareholders.

The listing fees shall be borne by our Company. Other Offer-related expenses shall be shared among the Company and Promoter Selling Shareholders in accordance with applicable law. All such payments shall be made by the Company on behalf of the Promoter Selling Shareholders, and upon the successful completion of the Offer, the Promoter Selling Shareholders shall reimburse the Company, on a pro rata basis, in proportion to their respective portions of the Offered Shares, for any expenses incurred by the Company on behalf of the Promoter Selling Shareholders.

#### Ranking of the Equity Shares

The Equity Shares being Allotted in the Offer shall be subject to the provisions of the Companies Act, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see “*Main Provisions of the Articles of Association*” beginning on page 411.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum of Association and Articles, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable law. For further details in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on pages 218 and 411, respectively.

#### Face Value and Offer Price

The face value of the Equity Shares is ₹ 5. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share.

The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Price Band and minimum Bid Lot for the Offer will be decided by our Company and the Promoter Selling Shareholders, in consultation with the Managers, and advertised in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and [●] editions of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders in consultation with the Managers, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

#### **Compliance with disclosure and accounting norms**

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, our Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or ‘e-voting’;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see “*Main Provisions of the Articles of Association*” beginning on page 411.

#### **Allotment of Equity Shares in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, our Company has entered into the following agreements:

- Tripartite agreement dated May 5, 2021 amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated April 27, 2021 amongst our Company, CDSL and Registrar to the Offer.

#### **Market Lot and Trading Lot**

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

#### **Joint Holders**

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

#### **Jurisdiction**

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Offer.

#### **Period of operation of subscription list**

See “*Offer Structure – Bid/Offer Programme*” beginning on page 390.

#### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any

one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If investors wish to change their nomination, they are requested to inform their respective Depository Participant.

### **Minimum Subscription**

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/deleted ASBA Forms, the Bidder shall be compensated by the SCSB at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated by the SCSB at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated by the SCSB at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated by the SCSB at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date till the date of the actual unblock. The SCSBs shall compensate the Bidder, immediately on the date of receipt of complaint from the Bidder. From the date of receipt of complaint from the Bidder, in addition to the compensation to be paid by the SCSBs as above, the post-Offer Managers shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of on which grievance is received by the Managers or Registrar until the date on which the blocked amounts are unblocked. No liability to make any payment of interest shall accrue to the Promoter Selling Shareholders unless any delay in making any of the payments hereunder or any delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is solely attributable to the relevant Promoter Selling Shareholder.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids and Offer for Sale subsequently.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Promoter Selling Shareholders and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the Managers and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see “*Terms of the Offer*” on page 383. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

#### **Arrangements for disposal of odd lots**

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

#### **Restriction on transfer and transmission of shares**

Except for the lock-in of the pre-Offer Equity Shares, the Promoters’ Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in “*Capital Structure*” beginning on page 75 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, “*Main Provisions of the Articles of Association*” at page 411.

#### **Option to receive Equity Shares in Dematerialized Form**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

#### **Withdrawal of the Offer**

Our Company and the Promoter Selling Shareholders in consultation with the Managers, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the Managers, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC.

## OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 8,000.00 million comprising of a Fresh Issue of [●] Equity Shares aggregating up to ₹ 3,000.00 million by our Company and an Offer of Sale of [●] Equity Shares aggregating to ₹ 5,000.00 million by the Promoter Selling Shareholders. The Offer will constitute [●] % of the post-Offer paid-up Equity Share capital of our Company.

Our Company, in consultation with the Managers, may consider a Pre-IPO Placement. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the Managers and completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer constituting at least [●]% of the post-Offer paid up Equity Share capital of our Company.

The Offer includes a reservation of up to [●] Equity Shares, aggregating up to ₹[●] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5.00% of our post-Offer paid-up equity share capital. The Offer less the Employee Reservation Portion is the Net Offer. The Offer and Net Offer shall constitute [●]% and [●]% of the post -Offer paid-up equity share capital of our Company, respectively

The Offer is being made through Book Building Process.

Particulars	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/ allocation* <sup>(2)</sup>	Up to [●] Equity Shares	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Investors	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Offer Size available for Allotment/ allocation	The Employee Reservation Portion shall constitute up to [●]% of the post-Offer paid-up Equity Share capital of our Company	Not less than 75% of the Net Offer size shall be allocated to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not more than 15% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Retail Individual Investors.	Not more than 10% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Non-Institutional Investors
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate <sup>#</sup>	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs,	Proportionate	The allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see "Offer Procedure" beginning on page 392

Particulars	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
		including Mutual Funds receiving allocation as per (a) above  Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Minimum Bid	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹200,000	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹500,000, less Employee Discount <sup>##</sup> , if any	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject to limits prescribed under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of allotment	Compulsorily in dematerialised form			
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply <sup>(3)</sup>	Eligible Employees	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, Eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and trusts and any individuals, corporate bodies and family offices which are recategorised as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
		the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.		
Terms of Payment	<b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup> <b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bidding	Only through the ASBA process.	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process.	Only through the ASBA process

\* Assuming full subscription in the Offer

# Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. An Eligible Employee Bidding in the Employee Reservation Portion (subject to Bid Amount being up to ₹200,000) can also Bid in the Retail Portion, and such Bids shall not be considered multiple Bids. However, Bids by Eligible Employees Bidding in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

## Our Company and the Promoter Selling Shareholders in consultation with the Managers, may offer a discount of up to [●]% (equivalent of ₹[●] per Equity Share) to the Offer Price to Eligible Employees Bidding in the Employee Reservation Portion and which shall be announced at least two Working Days prior to the Bid/ Offer Opening Date.

<sup>(1)</sup> Our Company and the Promoter Selling Shareholders may, in consultation with the Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" beginning on page 392.

<sup>(2)</sup> Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the Managers and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see "Terms of the Offer" beginning on page 383. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. Allotment to an Eligible Employee in the Employee Reservation Portion may not exceed ₹ 20,000 in value (net of Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion, post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, subject to the total Allotment to a n Eligible Employee not exceeding ₹ 500,000 in value (net of Employee Discount). In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

<sup>(3)</sup> In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. Further, a Bidder Bidding in the Employee Reservation Portion may also Bid under the Net Offer

and such Bids shall not be treated as multiple Bids. To clarify, an Eligible Employee Bidding in the Employee Reservation Portion above ₹[●] (net of Employee Discount, if any) shall not be allowed to Bid in the Net Offer as such Bids shall be treated as multiple Bids.

- (4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

### Bid/Offer Programme

<b>BID/ OFFER OPENS ON*</b>	[●]
<b>BID/ OFFER CLOSES ON**</b>	[●]

\*Our Company and the Promoter Selling Shareholders may, in consultation with the Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.

\*\*Our Company and the Promoter Selling Shareholders may, in consultation with the Managers, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

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

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account**	[●]
Credit of the Equity Shares to depository accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

**\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated for such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.**

The above timetable is indicative and does not constitute any obligation on our Company, the Promoter Selling Shareholders or the Managers. While our Company and the Promoter Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Promoter Selling Shareholders, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholders confirm that they shall extend complete co-operation required by our Company and the Managers for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

In terms of the UPI Circulars, in relation to the Offer, the Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying nonadherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time (“IST”)) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

- (i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST);
- (ii) on the Bid/Offer Closing Date\*:



- (a) in case of Bids by Non-Institutional Investors, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and
- (b) in case of Bids by Retail Individual Investors, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the Managers to the Stock Exchanges.

\* UPI mandate end time and date shall be at 12.00 pm on [●].

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, will be rejected.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids and any revision in Bids will only be accepted on Working Days. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company and the Promoter Selling Shareholders, in consultation with the Managers, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid/ Offer Opening Date.

**In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the Managers and at the terminals of the members of the Syndicate.**

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

## OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations, and will form part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (“UPI Phase I”), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and RIIs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with existing timeline of T+6 days until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 (“UPI Phase II”). Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Accordingly, the Issue will be made under UPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to the Bid/Offer Opening Date. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus.

Further, our Company, the Promoter Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

### Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company and the Promoter Selling Shareholders in consultation with the Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for

allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, the Bid Amounts received by our Company shall be refunded. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

The Offer includes a reservation of up to [●] Equity Shares, aggregating up to ₹[●] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed [●]% of our post -Offer paid-up equity share capital subject to valid Bids being received at or above the Offer Price, net of Employee Discount , if any.

Under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company and the Promoter Selling Shareholders in consultation with the Managers and the Designated Stock Exchange subject to applicable laws. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for Retail Individual Investors Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

#### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered Office and at our Corporate Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the Managers.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and Retail Individual Investors Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

Retail Individual Investors using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Investors with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. Retail Individual Investors Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders, using the ASBA process to participate in the Offer, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. Retail Individual Investors using UPI Mechanism, shall submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual	[●]

Category	Colour of Bid cum Application Form*
Investors and Eligible NRIs applying on a non-repatriation basis	
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	[●]
Anchor Investors	[●]
Eligible Employees bidding in the Employee Reservation Portion	[●]

\* Excluding electronic Bid cum Application Forms

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the Managers.

(3) Bid cum Application Forms for Eligible Employees shall be available at the Registered Office and Corporate Office of the Company

**The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by Retail Individual Investors Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For Retail Individual Investors using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate a UPI Mandate Request to such Retail Individual Investors for blocking of funds.

#### Electronic registration of Bids

- a. The Designated Intermediaries may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b. On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c. Only Bids that are uploaded on the Stock Exchanges platform are considered for allocation/Allotment. The Designated Intermediaries are given time till 1:00 pm on the next Working Day following the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIIs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the Managers for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Managers in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks

and Sponsor Banks on a continuous basis.

**Participation by Promoters, Promoter Group, the Managers, associates and affiliates of the Managers and the Syndicate Members and the persons related to Promoters, Promoter Group, Managers and the Syndicate Members**

The Managers and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the Managers and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the Managers or insurance companies promoted by entities which are associates of the Managers, none of the Managers or their respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an “associate of the Lead Manager” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the Managers.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoters and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a QIB who has rights under a shareholders’ agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or Promoter Group of our Company.

**Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company and the Promoter Selling Shareholders in consultation with Managers reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

**Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident External Accounts (“**NRE Account**”), or Foreign Currency Non-Resident Accounts (“**FCNR Account**”), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“**NRO**”) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations.

NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour).

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 410.

### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids by HUFs will be considered at par with Bids from individuals.

### **Bids 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 or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. 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, 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 be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholders in consultation with Managers, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- (a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- (b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- (c) such offshore derivative instruments are issued after compliance with the ‘know your client’ norms as specified by SEBI; and
- (d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred,

are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

#### **Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended (“**SEBI FVCI Regulations**”) prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

**There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company, the Promoter Selling Shareholders or the Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

### **Bids by Eligible Employees**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut -off Price provided that the Bid does not exceed ₹500,000.

However, Allotments to Eligible Employees in excess of ₹ 200,000 shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut -off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] colour form).
- b) The Bidder should be an Eligible Employee as defined. In case of joint bids, the first Bidder shall be an Eligible Employee.
- c) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.
- d) Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any would be considered for Allotment under this category.
- e) Eligible Employees can apply at Cut-off Price.
- f) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- g) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

Please note that any individuals who are directors, employees or promoters of (a) the Managers, Registrar to the Offer, or the Syndicate Members, or of the (b) 'associate companies' (as defined in the Companies Act, 2013, as amended) and 'group companies' of such Managers, Registrar to the Offer or Syndicate Members are not eligible to bid in the Employee Reservation Portion.

### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with Managers, reserve the right to reject any Bid without assigning any reason thereof.

### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholders in consultation with Managers, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet,



whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or (b) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

### **Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company and the Promoter Selling Shareholders in consultation with Managers, reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDA Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company and the Promoter Selling Shareholders, in consultation with Managers, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and Promoter Selling Shareholders in consultation with the Managers, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and Promoter Selling Shareholders in consultation with the Managers, may deem fit.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

- (i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Managers.
- (ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.
- (iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- (iv) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.
- (v) Our Company in consultation with the Managers may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
  - (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million
  - (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
  - (c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.
- (vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Managers before the Bid/Offer Opening Date, through intimation to the Stock Exchange.
- (vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (viii) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Issue Price.
- (ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- (x) Neither the Managers or any associate of the Managers (except Mutual Funds sponsored by entities which are associates of the Managers or insurance companies promoted by entities which are associate of Managers or AIFs sponsored by the entities which are associate of the Managers or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the Managers) nor any "person related to the Promoters or Promoter Group" shall apply in the Issue under the Anchor Investor Portion. For further details, see "*– Participation by Promoters, Promoter Group, the Managers, associates and affiliates of the Managers and the Syndicate Members and the persons related to Promoters, Promoter Group, Managers and the Syndicate Members*" beginning on page 395.
- (xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see the General Information Document.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders, in consultation with Managers reserve the right to reject any Bid, without assigning any reason therefor.

**The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders and the Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.**

**In accordance with RBI regulations, OCBs cannot participate in the Offer.**

### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of Bids at three different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper, and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### **Allotment Advertisement**

Our Company, the Managers and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper, and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered is located).

## **Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company and the Promoter Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

### **General Instructions**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

#### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form (with a maximum length of 45 characters) and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
4. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
5. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;
8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. Retail Individual Investors using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
9. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
10. If the First Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be). Bidders (except Retail Individual Investors Bidding using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form. Retail Individual Investors Bidding using the UPI Mechanism should ensure that they have mentioned the correct UPI-linked bank account number and their correct UPI ID in the Bid cum Application Form;

11. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;
14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
15. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
17. Ensure that the Demographic Details are updated, true and correct in all respects;
18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;
21. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
22. Bidders (except Retail Individual Investors Bidding using the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment, in a timely manner;
23. Note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilize the MIM Structure and such Bids such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

24. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and Retail Individual Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
25. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor may be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the ASBA Form in his/her ASBA Account;
27. Retail Individual Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the ASBA Form;
28. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;
29. Bids by Eligible NRIs, HUFs and FPIs other than individuals, corporate bodies and family offices, for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer;
30. Ensure that Anchor Investors submit their Bid cum Application Forms only to the Managers; and
31. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned on the website of the SEBI, is liable to be rejected.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;
7. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;
8. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the

relevant ASBA Forms or to our Company;

9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
12. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
14. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
15. If you are a RII and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID
16. Do not submit the General Index Register (GIR) number instead of the PAN;
17. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
18. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
19. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise or withdraw their Bids until the Bid/Offer Closing Date;
20. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
21. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Investors using the UPI Mechanism;
22. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
23. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
24. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a Retail Individual Investor Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;
25. Do not submit a Bid using UPI mechanism, if you are not a Retail Individual Investor;
26. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism); and
27. Do not Bid if you are an OCB.

**For helpline details of the Managers, Registrar to the Offer or the Sponsor Bank, please see “General**

**Information” on page 66.**

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see “*General Information*” on page 66.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the Managers and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of Allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the net offer to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the Retail Individual Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

#### **Payment into Escrow Account(s) for Anchor Investors**

Our Company and the Promoter Selling Shareholders, in consultation with the Managers, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

- (i) In case of resident Anchor Investors: “[●]”
- (ii) In case of non-resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

#### **Depository Arrangements**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated May 5, 2021 among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated April 27, 2021 among CDSL, our Company and Registrar to the Offer.



## **Undertakings by our Company**

Our Company undertakes the following:

- (i) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- (iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;
- (iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- (v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- (vi) that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (vii) that if our Company and the Promoter Selling Shareholders, in consultation with the Managers, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or any of the Promoter Selling Shareholders subsequently decides to proceed with the Offer thereafter;
- (viii) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and
- (ix) that, except for the Pre-IPO Placement and Equity Shares or employee stock options that may be granted/allotted pursuant to ESOP 2021, no further issue of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

## **Undertakings by the Promoter Selling Shareholders**

Each of the Promoter Selling Shareholders undertake the following in respect of itself as the Promoter Selling Shareholders and their portion of the Offered Shares:

- (i) that its portion of the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;
- (ii) that it is the legal and beneficial owner of, and has clear and marketable title to its portion of the Offered Shares;
- (iii) that it shall provide all reasonable co-operation as requested by our Company in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of its portion of the Offered Shares;
- (iv) that it shall not sell, transfer, dispose of in any manner or create any lien, charge or encumbrance on the

Equity Shares offered by it in the Offer for Sale;

- (v) that it shall deposit the Equity Shares offered for sale by them in the Offer in an escrow demat account in accordance with the Share Escrow Agreement;
- (vi) that it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- (vii) that it shall take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale
- (viii) that it shall not have recourse to the proceeds of the Offer for Sale of its portion of the Offered Shares which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchanges; and
- (ix) that it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Managers in redressal of such investor grievances that pertain to its portion of the Offered Shares.

The Promoter Selling Shareholders have authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

#### **Utilisation of Offer Proceeds**

Our Board certifies that:

- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

#### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in

the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government of India has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid and remain in force until superseded in totality or in part thereof.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

In terms of Press Note 3 of 2020 (2020 Series), dated April 17, 2020, issued by the DPIIT, the FDI Policy has been recently amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer.

As per the existing policy of the Government, OCBs cannot participate in this Offer.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Offer Procedure – Bids by Eligible NRIs*” and “*Offer Procedure – Bids by FPIs*” on pages 395 and 396, respectively.

As per the FDI Policy, 100% foreign direct investment is permitted in IT/ITES sector, under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

For further details, see “*Offer Procedure*” on page 392.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders and the Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## SECTION X - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

### 1. **APPLICABILITY OF TABLE F**

Subject as hereinafter provided and in so far as these presents do not modify or exclude them the regulations contained in Table 'F' of Schedule I of the Companies Act, 2013, as amended from time to time, shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

#### I. **DEFINITIONS AND INTERPRETATIONS**

### 2. **In these Articles:**

- 1.1 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date at which the Articles become binding on the Company. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined for use.

"**Act**" means the Companies Act, 2013, and the Companies Act, 1956 (in each case, to the extent applicable), the rules and regulations prescribed thereunder, as now enacted or as amended from time to time and shall include any statutory replacement or re-enactment thereof;

"**Alternate Director**" shall have the meaning ascribed to such term in Article 127;

"**Articles**" shall mean the articles of association of the Company as amended from time to time

"**Board of Directors**" or "**Board**" shall mean the board of directors of the Company, as constituted from time to time;

"**Company**" shall mean Inspira Enterprise India Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Unit no. 23, Level-2, Kalpataru Square, Kondivita Lane, Ram Krishna Mandir Road, Andheri (east), Mumbai, Maharashtra- 400 059, India;

"**Director**" means a director for the time being of the Company and includes any person appointed as a director of the Company in accordance with these Articles and the provisions of the Act, from time to time;

"**Equity Share Capital**" means in relation to the Company, its equity share capital within the meaning of Section 43 of the Act, as amended from time to time;

"**Equity Shares**" shall mean the equity shares of the Company having a face value of such amount as specified in Clause V of the Memorandum of Association;

"**General Meetings**" shall mean any duly convened meeting of the Shareholders of the Company and includes an extra-ordinary general meeting;

"**Governmental Authority**" means any governmental, regulatory or statutory authority, government department, agency, commission, board, tribunal or court or other entity authorized to make Laws, rules or regulations or pass directions, orders or awards, having or purporting to have jurisdiction or any state or other subdivision thereof or any municipality, district or other subdivision thereof having jurisdiction pursuant to applicable Laws;

"**Key Managerial Personnel**" in relation to the Company, means collectively, the chief executive officer/managing director/manager, the company secretary, the whole-time directors, the chief financial officer, such other officer, not more than one level below the Directors who is in whole-time employment,

designated as key managerial personnel by the Board and such other officer as maybe prescribed and declared by the Company to be a key managerial personnel;

"**Law**" shall mean:

- (i) in relation to the Persons domiciled or incorporated in India, all applicable statutes, enactments, acts of legislature or Parliament, Laws, ordinances, rules, by-Laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, various governmental agencies, statutory and/or regulatory authorities or any stock exchange(s) in India or in any jurisdiction but applicable to such Persons domiciled or incorporated in India; and
- (ii) in relation to Persons domiciled or incorporated overseas, all applicable statutes, enactments, acts of legislature, Laws, ordinances, rules, by-Laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, various governmental agencies, statutory and/or regulatory authorities or any stock exchange(s) of the relevant jurisdiction of such Persons;

"**Lien**" means any mortgage, pledge, charge, assignment, hypothecation, security interest, title retention, preferential right, option (including call commitment), trust arrangement, any voting rights, right of set-off, counterclaim or banker's lien, privilege or priority of any kind having the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy;

"**Member**" means a member of the Company within the meaning of Clause (55) of Section 2 of the Act, as amended from time to time;

"**Memorandum of Association**" shall mean the memorandum of association of the Company, (as from time to time amended, modified or supplemented);

"**Original Director**" shall have the meaning ascribed to such term in Article 127;

"**Person**" shall mean any natural person, limited or unlimited company, body corporate or corporation, limited liability partnership, partnership (whether limited or unlimited), proprietorship, voluntary association, joint venture, unincorporated organization Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity that whether acting in an individual, fiduciary or other capacity may be treated as a person under applicable Law;

"**Preference Share Capital**" means in relation to the Company, its preference share capital within the meaning of Section 43 of the Act, as amended from time to time;

"**Shares**" means a share in the Share Capital of the Company and includes stock.

"**Shareholder(s)**" shall mean such Person(s) who are holding Share(s) in the Company at any given time;

"**Share Capital**" means Equity Share Capital and Preference Share Capital;

- 1.2 The terms "writing" or "written" include printing, typewriting, lithography, photography and any other mode or modes (including electronic mode) of representing or reproducing words in a legible and non-transitory form.
- 1.3 The headings hereto shall not affect the construction hereof.
- 1.4 Any reference to a particular statute or provisions of the statute shall be construed to include reference to any rules, regulations or other subordinate legislation made under the statute and shall, unless the context otherwise requires, include any statutory amendment, modification or re-enactment thereof.
- 1.5 Any reference to an agreement or other document shall be construed to mean a reference to the agreement or other document, as amended or novated from time to time.

## II. PUBLIC COMPANY

3. The Company is a public company as defined in clause (71) of Section 2 of the Act.

### **III. SHARE CAPITAL AND VARIATION OF RIGHTS**

4. The authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association with the power to increase or reduce or re-classify such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the Shares in the capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.
5. Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or subject to the compliance with Section 53 of the Act, at a discount as they may, from time to time think fit and proper and with the sanction of the Company in the General Meeting. The Company may give to any Person or Persons the option or right to call for any Shares either at par or at a premium during such time and for such consideration as the Directors think fit, and may also issue and allot Shares in the capital of the Company on payment in full or part payment of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may be so allotted may be issued as fully paid up Shares and if so issued shall be deemed to be fully paid up Shares, provided that the option or right to call of Shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.
6. A further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act. Save as otherwise provided herein, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction, or as by Law required, be bound to recognize any equitable or other claim to or interest in such Shares on the part of any other Person.
7. The Company may issue the following kinds of Shares in accordance with these Articles, the Act and other applicable Laws:
  - (i) Equity Share Capital:
    - (a) with voting rights; and / or
    - (b) with differential rights as to dividend, voting or otherwise; and
  - (ii) Preference Share Capital
8. Further, the Board shall be entitled to issue, from time to time, subject to applicable Law, any other securities, including securities convertible into shares, exchangeable into shares, or carrying a warrant, with or without any attached securities, carrying such terms as to coupon, returns, repayment, servicing, as may be decided by the terms of such issue.
9. Except as otherwise provided by the conditions of issue of the Shares or by these Articles, any capital raised by creation of new Shares shall be considered as part of the existing Share Capital and shall be subject to the provisions of these Articles and the Act with reference to payment of calls and instalments, transfer, transmission, forfeiture, lien, surrender, voting rights and otherwise.
10. Subject to the provisions of the Section 55 of Act, any Preference Shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by special resolution determine.
11. Subject to the provisions of the Act and these Articles, the Company shall have the power to issue Preference Share Capital carrying a right of redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of such redemption or liable to be redeemed at the option of the Company, and the Board may, subject to the provisions of the

Act, exercise such power in such manner as it may think fit. The period of redemption of such Preference Shares shall not exceed the maximum period for redemption provided under Section 55 of the Act.

12. If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate General Meeting of the holders of the Shares of that class, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply.
13. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.
14. Subject to the provisions of the Act, the Company may issue bonus Shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.
15. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of Shares shall not be issued except with the sanction of the Company in General Meeting by a special resolution and subject to the provisions of the Act.
16. Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and Members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable Laws.

#### **IV. BUY-BACK OF SHARES**

17. Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 of the Act and other applicable provisions of the Law, the Company shall have the power to buy-back its own Shares or other securities, as it may consider necessary.

#### **V. FURTHER ISSUE OF SHARES**

18. (1) Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued or out of the increased Share capital then such Shares shall be offered –
  - (a) to the persons who, on the date specified under applicable law, are holders of the Equity Shares of the Company, in proportion, as near as circumstances admit, to the paid up Share capital on those Shares by sending a letter of offer subject to the following conditions, namely:
    - (i) the offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
    - (j) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) hereof shall contain a statement of this right; provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him.



- (k) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to Shareholders and the Company.
  - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as prescribed in the Act and the rules thereunder; or
  - (c) to any persons, if its authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b) either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed in the Act and the rules thereunder:
- (2) The notice referred to in sub-clause (i) of clause (a) of sub-article (1) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing Shareholders at least 3 (three) days before the opening of the issue. Nothing in such notice shall be deemed:
- (a) To extend the time within which the offer should be accepted; or
  - (b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (3) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company (whether such option is conferred in these Articles or otherwise);
- Provided that the terms of issue of such debentures or the terms of such loans containing such option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.
- (4) Notwithstanding anything contained in sub-clause (3) above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.
- Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.
- (5) In determining the terms and conditions of conversion under sub-clause (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.
- (6) Where the Government has, by an order made under sub-clause (4), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under sub-clause (4) or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorized Share Capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount

equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

## **VI. COMMISSION**

19. The Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40 or the Act (as amended from time to time), provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section and rules made thereunder.
20. The rate or amount of the commission shall not exceed the rate or amount prescribed under the rules made under sub-section (6) of Section 40 of the Act.
21. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other.

## **VII. SHARES AND SHARE CERTIFICATES**

22. The Company shall cause to be kept a register of Members in accordance with Section 88 of the Act. The Company shall be entitled to maintain in any country outside India a "foreign register" of Members or debenture holders resident in that country.
23. Subject to applicable Law, every Person whose name is entered as a Member in the register of members shall be entitled to receive:
  - (i) one (1) or more certificates in marketable lots for all the Shares of each class or denomination registered in his name, without payment of any charge; or
  - (ii) several certificates, if the Board so approves (upon paying such fee as the Board so determines, subject to a maximum of twenty rupees), each for one (1) or more of such Shares, and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 1 (one) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be.
24. Every certificate shall be under the seal, if any, and shall specify the number and distinctive numbers of the Shares to which it relates and the amount paid-up thereon, shall be signed by two Directors or one Director and the company secretary and shall be in such form as prescribed under sub-section (3) of Section 46 of the Act.
25. In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a Share to 1 (one) or several joint holders shall be sufficient delivery to all such holders. Subject to the provisions of the Act, any Member of the Company shall have the right to sub-divide, split or consolidate the total number of Shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation.
26. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding INR 50 (Rupees fifty) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares. Notwithstanding the foregoing provisions of this Article, the Board shall comply with applicable Law including the rules or regulations or requirements of any stock exchange, or the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for

the time being in force.

27. Subject to the provisions of the Act, the provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures of the Company.
28. If any Share stands in the names of 2 (two) or more persons, the person first named in the register of Members of the Company shall as regards voting at meetings of the Company, service of notice and all or any matters connected with the Company, except the transfer of Shares and any other matters herein otherwise provided, be deemed to be sole holder thereof but joint holders of the Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares and for all incidents thereof according to the Company's Articles.
29. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

### **VIII. CALLS ON SHARES**

30. Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call.
31. Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
32. A call may be revoked or postponed at the discretion of the Board.
33. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
34. The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
35. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at 10 % (ten per cent) per annum or at such lower rate, if any, as the Board may determine.
36. The Board shall be at liberty to waive payment of any such interest wholly or in part.
37. Any sum which by the terms of the issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
38. The Board may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board and the Member paying such sum in advance agree upon not exceeding 12 (twelve) percent per annum, unless the company in general meeting shall direct otherwise, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time

repay the amount so advanced. The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall *mutatis mutandis* apply to any calls on debentures of the Company.

39. Where any calls for further Share Capital are made on the Shares of a class, such calls shall be made on a uniform basis on all Shares falling under that class. For the purposes of this Article, Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

#### **IX. DEMATERIALIZATION OF SHARES**

40. Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialize its Shares, debentures and other securities and offer such Shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the regulations made thereunder.
41. Notwithstanding anything contained in the Articles, and subject to the provisions of the Law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialize the Shares, which are in dematerialized form as per the provisions of the Act.
42. Every Person subscribing to the Shares offered by the Company shall have the option to receive Share certificates or to hold the Shares with a depository. Where Person opts to hold any Share with the depository, the Company shall intimate such depository of details of allotment of the Shares to enable the depository to enter in its records the name of such Person as the beneficial owner of such Shares. Such a Person who is the beneficial owner of the Shares can at any time opt out of a depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares. In the case of transfer of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.
43. If a Person opts to hold his Shares with a depository, the Company shall intimate such depository the details of allotment of the Shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Shares.
44. All Shares held by a depository shall be dematerialized and shall be in a fungible form.
- (a) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Shares on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.
45. Every person holding Shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such Shares and shall also be deemed to be a Shareholder of the Company. The beneficial owner of the Shares shall be entitled to all the liabilities in respect of his Shares which are held by a depository. The Company shall be further entitled to maintain a register of Members with the details of Members holding Shares both in physical and dematerialized form in any medium as permitted by Law including any form of electronic medium.
46. Notwithstanding anything in the Act or the Articles to the contrary, where Shares are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by Law from time to time.
47. Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

#### **X. LIEN**

48. The Company shall have a first and paramount Lien on: (a) every Share or debenture (not being a fully paid-up Share or debenture) registered in the name of each Member or holder, respectively (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of such Share or debenture; and (b) on all Shares or debentures (not being fully paid Shares or debentures) standing registered in the name of a single Person, for all monies presently payable by him or his estate to the Company; and no equitable interest in any Share or debenture shall be created except upon the footing and condition that this Article will have full effect. Fully paid-up Shares shall be free from all Liens and in case of partly paid-up Shares, the Company's Lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

Provided that the Board may at any time declare any Shares or debentures wholly or in part to be exempt from the provisions of this Article.

49. The Company's Lien, if any, on a Share shall extend to all dividends and bonuses declared and payable by the Company from time to time in respect of such Shares.

50. The Company's Lien, if any, on a debenture shall extend to the interest payable from time to time in respect of such debentures.

51. The Company may sell, in such manner as the Board thinks fit, any Shares or debenture on which the Company has a Lien, provided that no sale shall be made:

- (a) unless a sum in respect of which the Lien exists is presently payable;
- (b) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the Lien exists as is presently payable, has been given to the registered Member or holder for the time being of the Share or debenture, or the Person entitled thereto by reason of his death or insolvency.

52. Unless otherwise agreed, the registration of a transfer of Shares or debentures shall operate as a waiver of the Company's Lien, if any, on such Shares or debentures.

53. The following shall apply to any sale of Shares referred to in Article 51 above:

- (a) The Board may authorise some person to transfer the Shares or debentures sold to the purchaser thereof;
- (b) The purchaser shall be registered as the holder of the Shares or debentures that are the subject of any such transfer;
- (c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale;
- (d) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the Lien exists as is presently payable;
- (e) The residue, if any, shall, subject to a like Lien for sums not presently payable as existed upon the Shares or debentures before the sale, be paid to the person entitled to the Shares or debentures at the date of the sale.

54. A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of Lien.

## **XI. TRANSFER OF SHARES**

55. The securities or other interest of any Member shall be freely transferable, provided that any contract or arrangement between 2 (two) or more persons in respect of transfer of securities shall be enforceable as a contract. The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of

both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof.

56. Subject to the provisions of the Act, these Articles and any other applicable Law for the time being in force, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of Shares, not being a fully paid share, to a Person of whom they do not approve, and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within 30 (thirty) days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration or transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. In case of transfer of Shares, where the Company has not issued any certificates and where the Shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.
57. The Board may decline to recognize any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-Section (1) of Section 56 of the Act;
  - (b) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of Shares.

Provided that the registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever.

58. On giving not less than 7 (seven) days previous notice in accordance with the Act or any other time period as may be specified by Law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (forty five) days in the aggregate in any year.
59. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

## **XII. TRANSMISSION OF SHARES**

60. On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in these Articles shall release the estate of the deceased joint holder from any liability in respect of any Share, which had been jointly held by him with other persons.
61. Any person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:
- (a) to be registered as holder of the Share; or
  - (b) to make such transfer of the Share as the deceased or insolvent Member could have made.
62. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.

63. If the person so becoming entitled shall elect to be registered as holder of the Shares, such person shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
64. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer in accordance with the provisions of these Articles relating to transfer of Shares.
65. All the limitations, restrictions and provisions contained in these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
66. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.

### **XIII. FORFEITURE OF SHARES**

67. If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
68. The notice issued under Article 67 shall:
  - (a) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.
69. If the requirement of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
70. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
71. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
72. A Person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the person to the Company in respect of the Shares.
73. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.
74. A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the Share.
75. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the Share is sold or otherwise disposed of.

76. The transferee shall there upon be registered as the holder of the Share.
77. The transferee shall not be bound to ascertain or confirm the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity to invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
78. The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, become payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as the same had been payable by virtue of a call duly made and notified.

#### **XIV. ALTERATION OF SHARE CAPITAL**

79. Subject to these Articles and the provisions of Section 61 of the Act, the Company may, from time to time, by ordinary resolution, increase the Share Capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.
80. Subject to the provisions of the Act, the Company may from time to time by ordinary resolution, undertake any of the following:
- (a) consolidate or divide, all or any of the Share Capital into Shares of larger or smaller amount than its existing Shares;
  - (b) convert all or any of its fully paid-up Shares into stock, and re-convert that stock into fully paid-up Shares of any denomination;
  - (c) sub-divide its existing Shares or any number of them into Shares of smaller amount than is fixed by the Memorandum of Association of the Company, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; or
  - (d) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of Share Capital by the amount of the Shares so cancelled. A cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.
81. Subject to the provisions of the Act, the Company may, from time to time, by special resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable Law:
- (a) the Share Capital;
  - (b) any capital redemption reserve account; or
  - (c) any Share premium account.

#### **XV. CONVERSION OF SHARES INTO STOCK**

82. Where Shares are converted into stock:
- (a) the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same Article under which, the Shares from which the stock arose might before the conversion have been transferred, or as near there to as circumstances admit, *provided that* the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which the stock arose;
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of the stock which would not, if existing in Shares, have conferred that privilege or advantage; and



- (c) such of the Articles, as are applicable to paid-up Shares shall apply to stock and the words “Share”, “Shareholder” and “Member” in those Articles shall include “stock” and “stock holder” respectively.

## **XVI. GENERAL MEETINGS**

83. An annual General Meeting shall be held each calendar year within the timeline prescribed under Applicable Law. Not more than 15 (fifteen) months shall elapse between the date of one annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the registrar under the provisions of Section 96 of the Act to extend the time within which any annual General Meeting may be held. Every annual General Meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine.
84. All General Meetings, other than the Annual General Meeting, shall be Extra-ordinary General Meetings.
85. The Board may, whenever it thinks fit, call an extraordinary general meeting.
86. The Board shall on the requisition of such number of member or members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.
87. A General Meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days’ notice either in writing or through electronic mode in such manner as prescribed under the Act, provided that a General Meeting may be called after giving a shorter notice if consent, in writing or by electronic mode, is accorded thereto—
- (i) in the case of an annual general meeting, by not less than ninety-five per cent. of the Members entitled to vote thereat; and
  - (ii) in the case of any other general meeting, by Members of the Company holding, majority in number of Members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the Company as gives a right to vote at the meeting;

Provided further that where any Member of the Company is entitled to vote only on some resolution or resolutions to be moved at a General Meeting and not on the others, those Members shall be taken into account for the abovementioned purposes, in respect of the former resolution or resolutions and not in respect of the latter.

Notice of every General Meeting shall be given to the Members and to such other Person or Persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

## **XVII. PROCEEDINGS AT GENERAL MEETINGS**

88. No business shall be transacted at any General Meeting, unless a quorum of Members is present at the time when the meeting proceeds to transact business. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
89. Notwithstanding anything contained elsewhere in these Articles, the Company:
- (a) shall, in respect of such items of business as the Central Government may, by notification, declare or which are under any other applicable Law required to be transacted only by means of postal ballot; and
  - (b) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or auditors have a right to be heard at any meeting, transact by means of postal

ballot, in such manner as may be prescribed, instead of transacting such business at a General Meeting and any resolution approved by the requisite majority of the Shareholders by means of such postal ballot, shall be deemed to have been duly passed at a General Meeting convened in that behalf and shall have effect accordingly.

Provided that any item of business required to be transacted by means of postal ballot under clause (a) above, may be transacted at a General Meeting by the Company which is required to provide the facility to Members to vote by electronic means under Section 108 of the Act, in the manner provided in that Section.

90. Directors may attend and speak at General Meetings, whether or not they are Shareholders.
91. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.
92. The chairperson, if any, of the Board shall preside as chairperson at every General Meeting of the Company. If there is no such chairperson or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall choose one of the Directors present to be chairperson of the meeting.
93. If at any General Meeting no Director is willing to act as chairperson or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the General Meeting, the Members present shall choose one of the Members to be chairperson of such General Meeting.
94. The chairperson may, with the consent of Members at any General Meeting at which a quorum is present, and shall, if so directed by the General Meeting, adjourn the General Meeting from time to time and from place to place.
95. In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same place and time 7 (seven) days later, provided that the agenda for such adjourned General Meeting shall remain the same. The said General Meeting if called by requisitionists under Article 86 herein read with Section 100 of the Act shall stand cancelled.
96. In case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than 3 (three) days' notice to the Members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.
97. No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the General Meeting from which the adjournment took place.
98. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
99. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned General Meeting.
100. The required quorum at any adjourned General Meeting shall be the same as that required at the original General Meeting.
101. If at the adjourned meeting too, a quorum is not present within 30 (thirty) minutes from the time appointed for holding such meeting, the Members present shall be the quorum and may transact the business for which the meeting was called.
102. Any act or resolution which, under the provision of these Articles or of the Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or these Articles specifically require such act to be done or such resolution passed by a special resolution or by a unanimous approval of all the Members.

## **XVIII. VOTING RIGHTS**

103. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:
- (a) on a show of hands, every Member present in person shall have 1 (one) vote; and
  - (b) on a poll, the voting rights of Members shall be in proportion to their share in the paid-up Equity Share Capital.
104. In the case of an equality of votes at any General Meeting the Chairman shall, both on a show of hands, on a poll (if any) and e-voting (if applicable), have casting vote in addition to the vote or votes to which he may be entitled as a member.
105. At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the voting on any resolution on show of hands) demanded by any Member or Members present in person or by proxy, and having not less than one-tenth of the total voting power or holding Shares on which an aggregate sum of not less than INR 500,000 (Rupees five lakh) or such higher amount as may be prescribed under applicable Law has been paid up.
106. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
107. A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once. The Company shall also provide E-voting facility to the Shareholders of the Company in terms of the provisions of Act and the Companies (Management and Administration) Rules, 2014 or any other Law, if applicable to the Company.
108. In case of joint holders, the vote of the senior who tenders a vote, whether in person or proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names are stated in the register of Members of the Company.
109. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
110. No Member shall be entitled to exercise any voting rights either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/her name on which any calls or other sums presently payable by him in respect of Shares in the Company have not been paid.
111. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting and whether given personally or by proxy or otherwise shall be deemed valid for all purpose.
112. Any such objection made in due time shall be referred to the chairperson of the General Meeting whose decision shall be final and conclusive.

## **XIX. PROXY**

113. Subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself and the Proxy so appointed shall have no right to speak at the meeting.
114. The proxy shall not be entitled to vote except on a poll.
115. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or in the case of a poll, not less

than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

116. An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.
117. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given; provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or the adjourned meeting at which the proxy is used.

## **XX. BOARD OF DIRECTORS**

118. Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution. The Company shall have such minimum number of independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable Laws and regulations. Further, the appointment of such independent Directors shall be in terms of, and subject to, the aforesaid provisions of applicable Law.
119. The first Directors of the Company are:
- i. Mr. Chetan Jain
  - ii. Mr. Prakash Jain
120. Subject to the provisions of the Act, the Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation.
- (a) At every annual General Meeting of the Company, one-third of such of the Directors (that does not include independent Directors, whether appointed under the Act or any other Law for the time being in force, on the Board of the Company) for the time being as are liable to retire by rotation pursuant to applicable Law or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.
  - (b) Subject to Section 152(6)(d) of the Act, the Directors to retire by rotation at every annual General Meeting shall be those who have been longest in office since their last appointment, but as between Persons who become Directors on the same day, those who are to retire, shall, in default of and subject to any agreement amount themselves, be determined by lot.
  - (c) A retiring Director shall be eligible for re-election.
  - (d) Subject to Sections 152(6)(e) and 152(7)(a) of the Act and these Articles, the Company at the General Meeting at which a Director retires in a manner aforesaid may fill up the vacated office by electing a Person thereto.
  - (e) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
  - (f) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, then the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-
    - (i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
    - (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;

- (iii) he is not qualified or is disqualified for appointment; or
  - (iv) a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.
- 121. Subject to Section 197 and other applicable provisions of the Act, the remuneration of Directors may be a fixed sum by way of monthly payment or a percentage of the net profits or partly by one way and partly by the other.
- 122. Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.
- 123. In addition to the remuneration payable to them in pursuance of the Act, the Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meeting of the Board or any committee thereof or General Meetings of the Company and any other expenses properly incurred by them in connection with the business of the Company. If authorized by the Board, the Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the applicable provisions of the Act.
- 124. A Director shall not be required to hold any qualification shares in the Company.
- 125. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint any other person as an additional director provided that the number of the Directors and additional Directors together shall not at any time exceed the maximum number fixed as above and any person so appointed as an additional Director shall retain his office only up to the date of the next annual General Meeting or last date on which the annual General Meeting should have been held, whichever is earlier, but shall then be eligible for re-appointment as Director of the Company.
- 126. In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an “**Original Director**”), subject to these Articles and the provisions of the Act, the Board may appoint another person (an “**Alternate Director**”) for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director’s absence. No Person shall be appointed as an Alternate Director to an independent Director unless such Person is qualified to be appointed as an independent Director of the Company. Any person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India
- 127. The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act or the rules framed thereunder. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing addressed to the Board and the Company shall intimate the registrar and also place the fact of such resignation in the report of Directors laid in the immediately following General Meeting. Subject to the Act, such Director may also forward a copy of his resignation along with detailed reasons for the resignation to the registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later. The Company may, subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office.
- 128. At any annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing the retiring Director who is eligible for re-election or some other person if a notice for the said purpose has been left at the office of the Company in accordance with the provisions of the Act.
- 129. No Person shall be appointed as a Director unless he furnishes to the Company his Director Identification Number under Section 154 of the Act or any other number as may be prescribed under Section 153 of the Act and a declaration that he is not disqualified to become a Director under the Act.
- 130. No Person appointed as a Director shall act as a Director unless he gives his consent to hold the office as a Director and such consent has been filed with the Registrar within 30 (thirty) days of his appointment in the manner prescribed in the Act.

131. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by Members in the immediate next General Meeting. Provided any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.
132. In the event of the Company borrowing any money from any financial corporation or institution or government or any government body or a collaborator, bank, Person or Persons or from any other source, while any money remains due to them or any of them, the lender concerned may have and may exercise the right and power to appoint, from time to time, any Person or Persons to be a Director or Directors of the Company and the Directors so appointed, shall not be liable to retire by rotation, subject however, to the limits prescribed by the Act. Any Person so appointed may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of such Person, appoint any other or others in his place. Any such appointment or removal shall be in writing, signed by the appointee and served on the Company. Such Director need not hold any qualification shares.

## **XXI. PROCEEDINGS OF THE BOARD**

133. The Board may meet for the conduct of business and may adjourn and otherwise regulate its meetings, as it thinks fit.
134. A Director may and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
135. A minimum number of 4 (four) Board meetings shall be held every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board, in accordance with the provisions of the Act.
136. Subject to the provisions of the Act and the rules framed thereunder, all or any of the Directors or members of any committee of the Board may participate in a meeting of the Directors or such committee through video conferencing or other audio visual means.
137. No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum under this Article, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.
138. If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.
139. The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
140. Subject to the provisions of the Act and the rules framed thereunder allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days' notice in writing to every Director. Each notice of a Board meeting shall:

- (a) specify a reasonably detailed agenda. Unless waived in writing by all Directors, any item not included in the agenda of a meeting shall not be considered or voted upon at that meeting of the Board;
  - (b) be accompanied by any relevant supporting papers; and
  - (c) be sent by: (i) courier if sent to an address in India; (ii) by e-mail or facsimile transmission if sent to an address outside India; or by hand delivery.
141. Save as otherwise expressly provided in the Act or these Articles, questions arising at any meeting of the Board shall be decided by a majority of votes.
142. The Directors may from time to time elect a Chairperson who shall preside at the meetings of the Directors and determine the period for which he is to hold office. The same individual may be appointed as the chairperson of the Company as well as the managing Director and/or the chief executive officer of the Company. If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be the chairperson of the meeting.
143. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
144. Subject to these Articles and Sections 175, 179 and other applicable provisions of the Act, a circular resolution in writing, executed by or on behalf of a majority of the Directors or members of a committee, shall constitute a valid decision of the Board or committee thereof, as the case may be, as if it had been passed at a meeting of the Board or committee, duly convened and held, provided that a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.
145. The Board shall constitute the statutory committees in accordance with applicable Law. Subject to provisions of the Act, the Board may delegate any of its powers to committees consisting of such Director or Directors as it thinks fit.
146. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
147. Subject to applicable Law and these Articles, a committee may elect a chairperson of its meetings.
148. If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of themselves to be the chairperson of the meeting.
149. A committee may meet and adjourn as it thinks fit.
150. Questions arising at any meeting of a committee shall be determined by a majority of votes of the Directors present. In case of an equality of votes, the chairperson of the committee, if any, shall have second or casting vote.
151. Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.
152. Subject to the provisions of the Act, no Director shall be disqualified by his office from contracting with the Company nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable

to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established provided that every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board and shall not participate in such meeting as required under Section 184 and other applicable provisions of the Act, and his presence shall not count for the purposes of forming a quorum at the time of such discussion or vote.

153. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
154. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
155. Minutes of each meeting of the Board shall be circulated to all Directors.

## **XXII. POWERS OF DIRECTORS**

156. The business of the Company shall be vested in the Board of Directors and the Board shall be responsible for the overall direction and management of the Company. Subject to the provisions of the Act, the Board shall have the right to delegate any of their powers to such committee of Directors, managing director, managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.
157. Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
158. The Board of Directors shall, or shall authorize persons in their behalf, to make necessary filings with Governmental Authorities in accordance with the Act and other applicable Law, as may be required from time to time.
159. The Directors shall have the power to open and close bank accounts and operate the same generally, to sign cheques on behalf of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person or persons to exercise such powers.

## **XXIII. MANAGING/WHOLE-TIME DIRECTORS AND KEY MANAGERIAL PERSONNEL**

160. Subject to the provisions of the Act, the Board may from time to time appoint one or more Directors to be the managing Director/ whole-time Director of the Company on such remuneration and terms and conditions as the Board may think fit, and for a fixed term or without any limitation as to the period for which he is to hold such office and from time to time and subject to the provisions of any contract between him and the Company, remove or dismiss him from office and appoint another in his place. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may, from time to time, entrust to and confer upon the managing Director / whole-time Director, for the time being, such of the powers exercisable hereunder by the Board, as it may think fit, and may confer such powers, for such time and be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such power, either collaterally with or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may,



from time to time, revoke, withdraw, alter or vary all or any of such powers.

161. Subject to the provisions of any contract between him and the Company, the managing Director/ whole-time director, shall be subject to the same provisions as to resignation and removal as the other Directors and shall ipso facto and immediately cease to be the managing Director if he ceases to hold the office of Director for any cause.
162. Subject to the provisions of the Act, the managing Director/whole-time Director shall, in addition to the remuneration payable to him as a Director of the Company, receive such remuneration as may be sanctioned by the Board from time to time and such remuneration may be fixed by way of salary or bonus or commission or participation in profit, or perquisites and benefits or by some or all of these modes.
163. Subject to the provisions of the Act, a chief executive officer, manager, company secretary or chief financial officer or any other key managerial personnel not more than one level below the Board and in the whole time employment of the Company and designated as a key managerial personnel may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary, chief financial officer or any other Key Managerial Personnel so appointed may be removed by means of a resolution of the Board.
164. A Director may be appointed as chief executive officer, manager, or chief financial officer.
165. Any provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and managing director, chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same Person acting both as Director and as, or in place of, managing director, chief executive officer, manager, company secretary or chief financial officer.

#### **XXIV. BORROWING POWERS**

166. Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.
167. The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company, its free reserves and securities premium.
168. Subject to the Act and the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.

#### **XXV. DIVIDENDS AND RESERVES**

169. The Company may declare dividends as per the provisions of the Companies Act, 2013, but no dividend shall exceed the amount recommended by the Board. No dividend shall be payable except out of the profits of the Company or any other undistributed profits.
170. Subject to the provisions of Section 123 of the Act, the Board may from time to time pay to the Members such dividends including interim dividends as appear to it to be justified by the profits of the Company.
171. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting

contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

172. Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.
173. No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of these Articles as paid on the Share.
174. All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.
175. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares.
176. Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members of the Company, or to such person and to such address as the holder or joint holders may in writing direct.
177. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent.
178. Any one of two or more joint holders of a Share may give effectual receipts for any dividends, bonuses or other payments in respect of such Share.
179. Notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act.
180. No dividend shall bear interest against the Company.
181. Nothing herein shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus Shares or paying up any amount for the time being unpaid on any Shares held by the Members of the Company.
182. The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 (thirty) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account of Inspira Enterprise India Limited". Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act. No unclaimed or unpaid dividend shall be forfeited by the Board before claim on such dividend becomes barred by applicable Law.

## **XXVI. CAPITALISATION OF PROFITS**

183. The Company in a General Meeting may, upon the recommendation of the Board, resolve:
  - (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account, or otherwise available for distribution; and

- (b) that such sum be accordingly set free for distribution in the manner specified in Article 185 amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
184. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in these Articles below, either in or towards:
- (a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
  - (b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or
  - (c) Partly in the way specified in sub-Article (a) and partly in that specified in sub-Article (b) above.
  - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.
  - (e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
185. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and
  - (b) generally, do all acts and things required to give effect thereto.
186. The Board shall have power to:
- (a) make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares or debentures becoming distributable in fractions; and
  - (b) authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares.
187. Any agreement made under such authority shall be effective and binding on such Members.

#### **XXVII. INDEMNITY**

188. Subject to the provisions of the Act, every Chairperson/ // Director, secretary and the other officers for the time being of the Company acting in relation to any of the affairs of the Company shall be indemnified out of the assets of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own wilful neglect or default respectively.
189. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably.

#### **XXVIII.ACCOUNTS**

190. Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of

accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the registrar a notice in writing giving the full address of that other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

191. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts or books or documents of the Company, or any of them, shall be open to inspection by the Members not being Directors subject to provisions of the Act and these Articles. Each Director shall be entitled to examine the books, accounts and records of the Company, and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business, affairs and financial position of the Company as any Director may reasonably require.
192. No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Law or authorised by the Board or by the Company in General Meeting.
193. The books of accounts of the Company relating to a period of not less than 8 (eight) years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

#### **XXIX. AUDIT**

194. The statutory auditors of the company shall be appointed, their remuneration shall be fixed, rights, duties and liabilities shall be regulated and their qualifications and disqualifications shall be in accordance with the provisions of Sections 139 to 148 (both inclusive) of the Act.
195. The Directors may fill up any casual vacancy in the office of the auditors within 30 (thirty) days subject to the provisions of Sections 139 and 140 of the Act and the rules framed thereunder.
196. The remuneration of the auditors shall be fixed by the Company in the annual General Meeting or in such a manner as the Company in the annual General Meeting may determine except that, subject to the applicable provisions of the Act, remuneration of the first or any auditor appointed by the Directors may be fixed by the Directors.
197. The Company shall also appoint the internal auditor to conduct internal audit of the functions and activities of the Company in accordance with the provisions of the Act.

#### **XXX. SECRECY**

198. Subject to the provisions of the Act, no Member shall be entitled to visit or inspect any work of the Company without the permission of the Directors, managing directors or secretary or to require inspection of any books of accounts or documents of the Company or any discovery of any information or any detail of the Company's business or any other matter, which is or may be in the nature of a trade secret, mystery of secret process or which may relate to the conduct of the business of the Company and which in the opinion of the Directors or the managing Director will be inexpedient in the collective interests of the Members of the Company to communicate to the public or any Member.
199. Every Director, manager, secretary, auditor, trustee, member of committee, officer, servant, agent, accountant or other person employed in the business of the Company will be upon entering his duties pledging himself to observe strict secrecy in respect of all matters of the Company including all transaction with customers, state of accounts with individual and other matters relating thereto and to not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a court of Law and except so far as may be

necessary in order to comply with any of the provisions in these Articles and the provisions of the Act.

200. Post listing of the Equity Shares, at the request of any Shareholder, the Company shall provide to such Shareholder: (i) annual reports; (ii) annual, semi-annual, quarterly and other periodic financial statements and reports; (iii) any other interim or extraordinary reports; and (iv) prospectuses, registration statements, offering circulars, offering memoranda and other document relating to any offering of securities by the Company, provided, in each case, that (a) the Company has, prior to providing any Shareholder with such information, made such information available to the public; and (b) the Company is not prohibited under any applicable Law from providing such information to such Shareholder.

#### **XXXI. WINDING UP**

201. The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

#### **XXXII. GENERAL AUTHORITY**

Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company cannot carry out any transaction unless the Company is so authorized by its Articles then in that case, these Articles hereby authorize and empower the Company to have such rights, privilege or authority and to carry out such transaction as have been permitted by the Act.

## SECTION XI - OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date. Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### A. Material Contracts for the Offer

1. Registrar agreement dated August 13, 2021 entered into among our Company, the Promoter Selling Shareholders and the Registrar to the Offer.
2. Offer agreement dated August 13, 2021 entered into among our Company, the Promoter Selling Shareholders and the Managers.
3. Cash escrow and sponsor bank agreement dated [●] entered into between our Company, the Promoter Selling Shareholders, the Registrar to the Offer, the Managers and the Banker(s) to the Offer.
4. Share escrow agreement dated [●] entered into among the Promoter Selling Shareholders, our Company and the Share Escrow Agent.
5. Syndicate agreement dated [●] entered into among our Company, the Promoter Selling Shareholders, the Managers and the Syndicate Members.
6. Monitoring agency agreement dated [●] entered into between our Company and the Monitoring Agency.
7. Underwriting agreement dated [●] entered into between our Company, the Promoter Selling Shareholders, and the Underwriters.

#### B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association as amended from time to time.
2. Certificate of incorporation dated October 1, 2008 and fresh certificate of incorporation dated July 14, 2021.
3. Resolution of the Board of Directors dated August 2, 2021 in relation to the Offer and other related matters.
4. Resolution of the Shareholders of our Company dated August 3, 2021 approving the Fresh Issue.
5. Resolution of the Board of Directors of our Company dated August 13, 2021 approving this Draft Red Herring Prospectus.
6. Consent letter(s) dated August 2, 2021 from each of the Promoter Selling Shareholders in relation to the Offer for Sale.
7. Consent dated August 10, 2021 from Frost & Sullivan (India) Private Limited to rely on and reproduce part or whole of the F&S Report and include their name in this Draft Red Herring Prospectus.
8. Written consent dated August 13, 2021 from S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an “expert” as defined under section 2(38) of the Companies Act, 2013

to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated August 13, 2021 on our Restated Consolidated Financial Statements; and (ii) their report dated August 13, 2021 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this DRHP. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

9. Written consent dated August 13, 2021 from our Predecessor Statutory Auditor, namely, Lodha & Co., Chartered Accountants, to include their name in this Draft Red Herring Prospectus as required under Section 26(5) of the Companies Act and as an “expert” as defined under Section 2(38) of the Companies Act in respect of their reports dated December 31, 2020 and November 13, 2019 issued on the audited consolidated financial statements of our Company for the Financial Years ended March 31, 2020 and March 31, 2019 respectively, and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus with the SEBI.
10. The examination report dated August 13, 2021 of the Statutory Auditors on our Restated Consolidated Financial Statements.
11. The report on the statement of special tax benefits dated August 13, 2021 from the Statutory Auditors.
12. Report titled “Global Information Technology Services Market” dated August 10, 2021 prepared by Frost & Sullivan (India) Private Limited.
13. Agreements between our Company and Prakash Jain, Chetan Jain and Vishal Jain, each dated May 25, 2021, as amended by the supplemental agreements dated August 3, 2021 each, recording their terms and condition of employment.
14. Share purchase and subscription and shareholders agreement dated July 27, 2015 between our Company, Ashvini Danigond, Vipul Danigond and Manorama Infosolutions Private Limited and share transfer agreement dated June 21, 2021 between Vipul Danigond, our Company, Nilaya Varma and Manorama Infosolutions Private Limited.
15. Share subscription and shareholders agreement dated March 7, 2018 between our Company, IRAM Technologies Private Limited, UdayaBhaskar Rao Abburu, Satyanarayana Divi Venkata, Vishal Mehra and Sarath Kumar Kodali
16. Share purchase agreement dated November 5, 2018 between Inspira Singapore, ITS Planners and Engineers Private Limited and Bhashykarlu Rambhala and investment agreement dated November 23, 2018 between our Company, ITS Planners and Engineers Private Limited, Rajesh Krishnan Krishnamoorthy, Gopala Krishnam Raju Nadimpalli and Inspira Singapore.
17. Business transfer agreement dated November 6, 2020 between our Company, Smartcirqls Infotech Private Limited, Vishal Malhotra and NCV Investments Private Limited.
18. Copies of annual reports of our Company for the Fiscals 2021, 2020, and 2019.
19. Consent of the Directors, Managers, Syndicate Members, the Legal Counsel to the Company and Promoter Selling Shareholders as to Indian law, Legal Counsel to the Managers as to Indian Law, International Legal Counsel to the Managers, Registrar to the Offer, Banker(s) to the Offer, Banker(s) to our Company, and the Company Secretary and Compliance Officer, as referred to in their specific capacities.
20. Tripartite agreement dated May 5, 2021, among our Company, NSDL and the Registrar to the Offer.
21. Tripartite agreement dated April 27, 2021, among our Company, CDSL and the Registrar to the Offer.
22. Due diligence certificate dated August 13, 2021 addressed to SEBI from the Managers.
23. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.
24. SEBI observation letter bearing reference number [●] and dated [●].

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

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

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**Prakash Jain**

*Executive Director and Chairman*

**Place:** Mumbai

**Date:** August 13, 2021



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Chetan Jain**  
*Managing Director*

**Place:** Mumbai  
**Date:** August 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Vishal Jain**  
*Joint Managing Director*

**Place:** Mumbai  
**Date:** August 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

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

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**Jigar Jain**

*Non-Executive Director*

**Place:** Mumbai

**Date:** August 13, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Appen Menon**  
*Independent Director*

**Place:** New York, NY  
**Date:** August 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

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

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**Manju Agarwal**  
*Independent Director*

**Place:** Noida  
**Date:** August 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Vijay Bhatt**

*Independent Director*

**Place:** Mumbai

**Date:** August 13, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Matthew Bross**

*Independent Director*

**Place:** Missouri, USA

**Date:** August 13, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Raghavendra Jha**  
*Chief Financial Officer*

**Place:** Mumbai  
**Date:** August 13, 2021



## **DECLARATION**

I, Prakash Jain, a Promoter Selling Shareholder, hereby certify that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself and the Equity Shares being offered by me in the Offer are true and correct. I assume no responsibility as a Promoter Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Prakash Jain**

Place: Mumbai

Date: August 13, 2021

## **DECLARATION**

We, Manjula Jain Family Trust (through our trustee Prakash Jain), a Promoter Selling Shareholder, hereby certify that all statements, disclosures and undertakings made or confirmed by Manjula Jain Family Trust in this Draft Red Herring Prospectus in relation to Manjula Jain Family Trust and the Equity Shares being offered by us in the Offer are true and correct. We assume no responsibility as Promoter Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**Signed on behalf of Manjula Jain Family Trust**

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Name: Prakash Jain  
Designation: Trustee

Place: Mumbai

Date: August 13, 2021

## **DECLARATION**

We, Prakash Jain Family Trust (through our trustee Manjula Jain), a Promoter Selling Shareholder, hereby certify that all statements, disclosures and undertakings made or confirmed by Prakash Jain Family Trust in this Draft Red Herring Prospectus in relation to Prakash Jain Family Trust and the Equity Shares being offered by us in the Offer are true and correct. We assume no responsibility as Promoter Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**Signed on behalf of Prakash Jain Family Trust**

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Name: Manjula Jain  
Designation: Trustee

Place: Mumbai

Date: August 13, 2021