**DRAFT RED HERRING PROSPECTUS**
Dated August 24, 2018
Please read Section 32 of the Companies Act, 2013
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
**Book Built Issue**

# XELPMOC DESIGN AND TECH LIMITED

Xelpmoc Design and Tech Limited ("**Company**" or "**Issuer**") was incorporated as 'Xelpmoc Design and Tech Private Limited', a private limited company, under the Companies Act, 2013 on September 16, 2015 at Bengaluru, Karnataka, India, and the Certificate of Incorporation was issued by the Registrar of Companies, Karnataka at Bengaluru ("**RoC**"). Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on July 2, 2018 and the name of our Company was changed to 'Xelpmoc Design and Tech Limited'. Consequently, a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the RoC on July 20, 2018. For details of change in the name and Registered Office of our Company, see "*History and Certain Corporate Matters*" on page 122.

**Registered Office:** #17, 4th Floor, Agies Building, 1st 'A' Cross, 5th Block, Koramangala, Bengaluru – 560 034, Karnataka, India
**Contact Person:** Vaishali Kondbhar, Company Secretary and Compliance Officer
**Telephone:** +91 80 4370 8360; **Fax:** Not available
**E-mail:** vaishali.kondbhar@xelpmoc.in; **Website:** www.xelpmoc.in
**Corporate Identity Number:** U72200KA2015PLC082873

**OUR PROMOTERS: SANDIPAN CHATTOPADHYAY, SRINIVAS KOORA AND JAISON JOSE**

**INITIAL PUBLIC OFFERING OF [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ 230,000 THOUSAND ("ISSUE"). THE ISSUE SHALL CONSTITUTE UP TO [●]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.**

**THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DETERMINED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM"), AND WILL BE ADVERTISED IN ALL EDITIONS OF ENGLISH NATIONAL NEWSPAPER [●], ALL EDITIONS OF HINDI NATIONAL NEWSPAPER [●], AND BENGALURU EDITIONS OF KANNADA NEWSPAPER [●] (KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSES OF UPLOADING ON THEIR RESPECTIVE WEBSITES.**

In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid / Issue Period, if applicable, 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 Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries.

The Issue is being made in terms of Rule 19(2)(b) of the Securities Contracts Regulation Rules, 1957, as amended ("**SCRR**"), read with Regulation 41 of the SEBI ICDR Regulations. The Issue is being made in accordance with Regulation 26(2) of the SEBI ICDR Regulations, through the Book Building Process wherein at least 75% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "**QIB Portion**"), provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**"). 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 QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders, other than Anchor Investors, are mandatorily required to participate in the Issue through an Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective bank account which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"). Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA Process. For details, see "*Issue Procedure*" on page 336.

## RISK IN RELATION TO THE FIRST ISSUE

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 ₹ 10 and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated under "*Basis for Issue Price*" on page 94) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 16.

## COMPANY'S 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 this Issue, which is material in the context of this Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

## LISTING

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Issue, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the Registrar of Companies 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 up to the Bid/Issue Closing Date, see "*Material Contracts and Documents for Inspection*" on page 408.

| BOOK RUNNING LEAD MANAGER | REGISTRAR TO THE ISSUE |
|---|---|
| ITI CAPITAL LIMITED | KARVY Computershare |
| **ITI Capital Limited** (formerly known as Inga Capital Limited)<br>Naman Midtown, 'A' Wing,<br>21st Floor, Senapati Bapat Marg, Elphinstone (West)<br>Mumbai – 400 013,<br>Maharashtra, India.<br>**Tel:** +91 22 4031 3489<br>**Fax:** +91 22 4031 3379<br>**Email:** xelp.ipo@iticapital.in<br>**Investor Grievance Email:** investorgrievance@iticapital.in<br>**Website:** www.iticapital.in<br>**Contact Person:** Pallavi Shinde<br>**SEBI Registration Number:** INM000010924*<br>**Application made to SEBI for change of name* | **Karvy Computershare Private Limited**<br>Karvy Selenium Tower B<br>Plot 31-32, Gachibowli<br>Financial District<br>Nanakramguda,<br>Hyderabad – 500 032<br>Telangana, India.<br>**Tel:** +91 40 6716 2222<br>**Fax:** +91 40 2343 1551<br>**Email:** einward.ris@karvy.com<br>**Investor grievance email:** xelpmoc.ipo@karvy.com<br>**Website:** www.karisma.karvy.com<br>**Contact Person:** M Murali Krishna<br>**SEBI Registration No.:** INR000000221 |

**BID/ISSUE PROGRAMME**

| BID/ ISSUE OPENS ON: | [●](1) | BID/ISSUE CLOSES ON: | [●](2) |
|---|---|---|---|

1) *Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one (1) Working Day prior to the Bid / Issue Opening Date.*
2) *Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs, one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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## SECTION I: GENERAL

## DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under. If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.*

**General Terms**

| Term | Description |
|---|---|
| "the Company", "our Company", "the Issuer" or "Xelpmoc" | Xelpmoc Design and Tech Limited, a company incorporated under the Companies Act, 2013, having its registered office at #17, 4th Floor, Agies Building, 1st 'A' Cross, 5th Block, Koramangala, Bengaluru - 560 034, Karnataka, India. |
| "we", "us" or "our" | Unless the context otherwise indicates or implies, refers to our Company. |

**Company Related Terms**

| Term | Description |
|---|---|
| Articles/ Articles of Association | Articles of association of our Company, as amended from time to time. |
| Audit Committee | The committee of the Board of Directors constituted as our Company's Audit Committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. |
| Auditors / Statutory Auditors | The statutory auditors of our Company, JHS & Associates LLP, Chartered Accountants (formerly known as NMAH & Associates LLP). |
| Board / Board of Directors | Board of Directors of our Company or a duly constituted committee thereof. |
| Compliance Officer | Vaishali Kondbhar, our company secretary who has been appointed as the compliance officer of our Company. |
| Director(s) | The director(s) on the Board of our Company, unless otherwise specified. |
| Equity Shares | Equity shares of our Company of face value of ₹ 10 each. |
| ESOP 2018 | The employee stock option plan of our Company, namely 'Xelpmoc Employee Stock Option Scheme 2018'. |
| Group Companies | Companies which are covered under the applicable accounting standards and other companies considered material by our Board. For details, see "*Our Group Companies*" on page 147. |
| IPO Committee | The committee constituted by our Board for the Issue, as described in "*Our Management"* on page 129. |
| Key Managerial Personnel/KMP | Those individuals described in the sub-section "*Our Management – Our Key Management Personnel*" on page 140. |
| Memorandum/ Memorandum of Association/ MoA | Memorandum of Association of our Company, as amended from time to time. |
| Nomination and Remuneration Committee | The committee of the Board of Directors constituted as our Company's Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. |
| Promoters | The promoters of our Company, Sandipan Chattopadhyay, Srinivas Koora and Jaison Jose. |
| Promoter Group | The persons and entities constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations. For details of our Company's Promoter Group, see "*Our Promoters and Promoter Group*" on page 143. |

| | |
|---|---|
| Registered Office | The registered office of our Company, situated at #17, 4th Floor, Agies Building, 1st 'A' Cross, 5th Block, Koramangala, Bengaluru - 560 034, Karnataka, India. |
| Registrar of Companies/ ROC | Registrar of Companies, Karnataka, located at 'E' Wing, 2nd Floor, Kendriya Sadan, Koramangala, Bengaluru – 560 034, Karnataka, India. |
| Restated Consolidated Summary Financial Information | Restated consolidated statement of assets and liabilities of our Company as at March 31, 2018 and March 31, 2017, and the restated consolidated statement of profit and loss and the restated consolidated statement of cash flows of our Company, for each of the years ended March 31, 2018 and March 31, 2017, the significant accounting policies, and the related annexures included in "*Financial Information*" on page 150. |
| Restated Financial Statements /Restated Financial Information | Collectively, the Restated Standalone Financial Information and Restated Consolidated Financial Information. |
| Restated Standalone Summary Financial Information | Restated standalone statement of assets and liabilities of our Company as at March 31, 2018. March 31, 2017 and March 31, 2016, and the restated standalone statement of profit and loss and the restated standalone statement of cash flows of our Company, for each of the years ended March 31, 2018, March 31, 2017 and March 31, 2016, the significant accounting policies, and the related annexures included in "*Financial Information*" on page 150. |
| Shareholders | Shareholders of our Company, from time to time. |
| Stakeholders' Relationship Committee | The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations. |

**Issue Related Terms**

| Term | Description |
|---|---|
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid Cum Application Form. |
| Allot/Allotment/Allotted | Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful Bidders. |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted 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(s) | A Qualified Institutional Buyer, applying under the Anchor Investor Portion, with a minimum Bid of ₹ 100,000.00 thousand, in accordance with the SEBI ICDR Regulations. |
| Anchor Investor Application Form | The 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 the Prospectus. |
| Anchor Investor Allocation Price | The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the prospectus, which will be decided by our Company in consultation with the BRLM. |
| Anchor Investor Bid / Issue Period / Anchor Investor Bidding Date | The day, one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLM will not accept any bids from Anchor investors, and allocation to Anchor Investors shall be completed. |
| Anchor Investor Issue 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 Issue Price, but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLM. |
| Anchor Investor Portion | Up to 60% of the QIB Portion, consisting of [●] Equity Shares, which may be allocated by our Company in consultation with the BRLM, 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 domestic |

| Term | Description |
|---|---|
| | Mutual Funds at or above the Anchor Investor Allocation Price. |
| Anchor Investor Pay-in Date | The Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date. |
| Application Supported by Blocked Amount/ASBA | An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account. |
| ASBA Account | A bank account maintained with an SCSB and specified in the ASBA Form submitted by Bidders for blocking the Bid Amount mentioned in the ASBA Form. |
| ASBA Bid | A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. |
| ASBA Bidder | All Bidders except Anchor Investors. |
| ASBA Form | An application form, whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus. |
| Basis of Allotment | Basis on which the Equity Shares will be Allotted to successful Bidders under the Issue and which is described in the sub-section "*Issue Procedure- Allotment Procedure and Basis of Allotment*" on page 372. |
| Bid(s) | An indication to make an offer during the Bid/Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid / Issue Period by the Anchor Investors, to subscribe 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 in terms of the Red Herring Prospectus and Bid cum Application Form. |
| Bid Amount | The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder/blocked in the ASBA Account on submission of a bid in the Issue. |
| Bid cum Application Form | The Anchor Investor Application Form or the ASBA Form, as the context requires. |
| Bidder | Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form. |
| Bidding Centres | Centres at which the Designated Intermediaries shall accept the ASBA Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs. |
| Bid Lot | [●] Equity Shares. |
| Bid/ Issue Closing Date | Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and Bengaluru editions of Kannada newspaper [●], (Kannada being the regional language of Karnataka where our Registered Office is located), each with wide circulation and in case of any revision, the extended Bid/ Issue Closing Date in consonance with the SEBI ICDR Regulations.<br><br>Our Company, in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. |
| Bid/ Issue Opening Date | Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting ASBA Bids for the Issue, which shall be notified in all editions of English national newspaper [●], all editions of Hindi national newspaper [●] and Bengaluru editions of Kannada newspaper [●] (Kannada being the regional language of Karnataka where our Registered Office is located), each with wide circulation, each with wide circulation and in case of any revision, the extended Bid/ Issue Opening Date in consonance with the SEBI ICDR Regulations. |
| Bid/ Issue Period | Except in relation to Anchor Investors, the period between the Bid/Issue Opening |

| Term | Description |
|---|---|
| | Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective investors can submit their Bids, including any revisions thereof. |
| Book Building Process | The book building process, as provided in Schedule XI of the SEBI ICDR Regulations and as amended from time to time, in terms of which the Issue is being made. |
| Broker Centres | Broker centres notified by the Stock Exchanges, where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com). |
| BRLM / Book Running Lead Manager | The book running lead manager to the Issue, being ITI Capital Limited, (formerly known as Inga Capital Limited). |
| CAN / Confirmation of Allocation Note | Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid / Issue Period. |
| Cap Price | The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted. |
| Collecting Depository Participant(s) or CDP(s) | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI. |
| Controlling Branches | Such branches of SCSBs which coordinate Bids under the Issue with the BRLM, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at http://www.sebi.gov.in. |
| Cut-off Price | The Issue Price, finalised by our Company in consultation with BRLM, which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non- Institutional Bidders 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. |
| Designated CDP Locations | Such locations of the CDPs where ASBA 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 the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account or the Refund Account, as appropriate in terms of the Red Herring Prospectus and the Prospectus, and the aforesaid transfer and instructions shall be issued only after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange. |
| Designated Intermediaries | Syndicate, sub-syndicate, SCSBs, Registered Brokers, the CDPs and RTAs, who are authorised to collect ASBA Forms from the Bidders, in relation to the Issue. |
| Designated RTA Locations | Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges. (www.bseindia.com and www.nseindia.com). |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange | [●] |

| Term | Description |
|---|---|
| Draft Red Herring Prospectus or DRHP | The draft red herring prospectus dated August 24, 2018 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars, including of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto. |
| Eligible NRI(s) | NRIs from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the ASBA Form and the Red Herring Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares. |
| Escrow Account(s) | Account(s) opened for the Issue with the Escrow Collection Bank and in whose favour the Anchor Investors may issue or transfer money through direct credit/NACH/NEFT/RTGS in respect of the Bid Amount when submitting a Bid. |
| Escrow Agreement | Agreement dated [●] entered into by our Company, the Registrar to the Issue, the BRLM, the Escrow Collection Bank, the Refund Banker and the Public Offer Bank for collection of the Bid Amounts from the Anchor Investors, transfer of funds from the Escrow Account to the Public Issue Account and where applicable, refunds of the amounts collected from the Bidders, on the terms and conditions thereof. |
| Escrow Collection Bank | Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●]. |
| Equity Listing Agreements | The listing agreements to be entered into by our Company with the Stock Exchanges in relation to our Equity Shares. |
| First Bidder | The Bidder whose name appears first in the Bid cum Application Form in case of a joint Bid and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof. |
| Floor Price | The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted. |
| General Information Document/ GID | The General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/III/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, and the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, suitably modified and included in "*Issue Procedure*" on page 336. |
| Issue | Public issue of up to [●] Equity Shares of face value of ₹ 10 each of our Company for cash at a price of [●] each, aggregating up to ₹ 230,000 thousand. |
| Issue Agreement | The agreement dated August 24, 2018 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Price | 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 Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM, on the Pricing Date. Unless otherwise stated or the context otherwise implies, the term Issue Price refers to the Issue price applicable to investors other than Anchor Investors. |
| Issue Proceeds | The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see "*Objects of the Issue*" on page 86. |
| Mutual Fund | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. |
| Mutual Fund Portion | 5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only. |
| Net Proceeds | Proceeds of the Issue less our Company's share of Issue related expenses. For further information about the Issue related expenses, see "*Objects of the Issue*" on page 86. |
| Net QIB Portion | The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors. |
| Non-Institutional Bidders | All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for the Equity Shares for an amount more than ₹ 200,000 (but not including NRIs |

| Term | Description |
|---|---|
| | other than Eligible NRIs). |
| Non-Institutional Portion | The portion of the Issue being not more than 15% of the Issue consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price. |
| 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.<br><br>The Price Band will be decided by our Company in consultation with the BRLM and will be advertised, at least five (5) Working Days prior to the Bid/Issue Opening Date, in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and Bengaluru editions of Kannada newspaper [●], (Kannada being the regional language of Karnataka where our Registered Office is located), each with wide circulation, each with wide circulation. |
| Pricing Date | The date on which our Company in consultation with BRLM will finalise the Issue Price. |
| Prospectus | The Prospectus to be filed with the RoC in accordance with section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined through the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto. |
| Public Issue Account | Account opened with the Public Issue Bank to receive monies from the Escrow Account(s) and to which the funds shall be transferred by the SCSBs from the ASBA Accounts of the successful Allottees, on or after the Designated Date. |
| Public Issue Bank | Bank with whom the Public Issue Account for collection of bidding amount from Escrow Account(s) and ASBA Accounts of the successful Allottees will be opened. |
| QIB Portion | The portion of the Issue, being at least 75% of the Issue, which shall be Allotted to QIBs (including Anchor Investors). |
| QIB Bid Closing Date | In the event our Company, in consultation with the BRLM, decides to close bidding by QIBs one day prior to the Bid Closing Date, the date which is one day prior to the Bid Closing Date; otherwise it shall be the same as the Bid Closing Date. |
| Qualified Institutional Buyers/QIBs | Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations. |
| Qualified Purchaser / QP | As defined in section 2(a)(51) and the related rules of the U.S. Investment Company Act. |
| Red Herring Prospectus/RHP | The Red Herring Prospectus to be issued in accordance with section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, and includes any addenda and corrigenda thereto. |
| Refund Account(s) | The account opened with the Refund Banker from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made. |
| Refund Banker | [●] |
| Refunds through electronic transfer of funds | Refunds through NACH, Direct Credit, RTGS or NEFT, as applicable. |
| Registered Brokers | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI. |
| Registrar Agreement | The agreement dated August 24, 2018 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue. |
| Registrar and Share Transfer Agents/RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. |

| Term | Description |
|---|---|
| | CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI. |
| Registrar to the Issue/Registrar | Registrar to the Issue, in this case being Karvy Computershare Private Limited. |
| Retail Individual Bidders(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 Issue (including HUFs applying through their Karta and Eligible NRIs). |
| Retail Portion | The portion of the Issue being not more than 10% of the Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations. |
| Revision Form | Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Forms or any previous revision form(s) before closure of the Issue.<br><br>Kindly note that QIBs and Non-Institutional Bidders are not allowed to withdraw or lower their Bid (in terms of quality of Equity Shares or the Bid Amount) at any stage, once submitted. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw the Bids until the Bid/Issue Closing Date. |
| Self-Certified Syndicate Banks or SCSBs | The banks registered with SEBI, offering services in relation to ASBA, a list of which is available in the section Recognised Intermediaries on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other website as may be prescribed by SEBI from, time to time. |
| Specified Locations | Bidding centres where the members of Syndicate shall accept ASBA Forms from Bidders. |
| Stock Exchanges | BSE and NSE. |
| Syndicate Agreement | The agreement dated [●] entered into amongst the BRLM, the Syndicate Members, the Registrar to the Issue and our Company in relation to the collection of Bid cum Application Forms by the Syndicate. |
| Syndicate Members | Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●], [●] and [●]. |
| Syndicate/ members of the Syndicate | BRLM and the Syndicate Members. |
| Systemically Important Non-Banking Financial Companies / NBFC-SI | A non-banking financial company registered with the Reserve Bank of India and having a net-worth of more than ₹ 5,000,000 thousand as per its last audited financial statements. |
| TRS/Transaction Registration Slip | The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid. |
| Underwriters | [●] |
| Underwriting Agreements | The agreement between our Company and the Underwriters, to be entered into on or after the Pricing Date. |
| U.S. Bank Holding Company Act | Bank Holding Company Act of 1956, as amended. |
| U.S. Investment Company Act | U.S. Investment Company Act of 1940, as amended. |
| U.S. Person | As defined in Regulation S under the Securities Act. |
| U.S. QIBs | Qualified Institutional Buyers, as defined in Rule 144A under the Securities Act. |
| Volcker Rule | Section 13 of the U.S. Bank Holding Company Act, as amended (together with the rules, regulations and published guidance thereunder). |
| Working Days | "Working Day", with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016. |

**Conventional and General Terms and Abbreviations**

| Term | Description |
|---|---|
| AGM | Annual general meeting |
| AIF(s) | Alternative Investment Funds |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| Category II FPIs | FPIs registered as category II FPIs under the SEBI FPI Regulations |
| Category III FPIs | FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices |
| CDSL | Central Depository Services (India) Limited |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |
| CIN | Corporate Identity Number |
| CIT | Commissioner of Income Tax |
| Client ID | Client identification number maintained with one of the Depositories in relation to the demat account |
| Companies Act | Companies Act, 1956 and / or the Companies Act, 2013 as applicable |
| Companies Act 1956 | Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections) |
| Companies Act 2013 | Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder |
| Consolidated FDI Policy | The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time |
| Depository(ies) | NSDL and CDSL, both being depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 |
| Depositories Act | The Depositories Act, 1996 |
| DIN | Director Identification Number |
| DIPP | Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI |
| DP ID | Depository Participant's identity number |
| EBITDA | Earnings Before Interest, Tax, Depreciation and Amortization |
| EGM | Extraordinary general meeting |
| EPF Act | Employees' Provident Fund and Miscellaneous Provisions Act, 1952 |
| EPS | Earnings per share |
| ERP | Enterprise Resource Planning |
| ESI Act | Employees' State Insurance Act, 1948 |
| Euro/EUR/€ | Euro, the official currency of Euro Member Countries |
| FCNR Account | Foreign Currency Non Resident (Bank) account established in accordance with the FEMA |
| FDI | Foreign direct investment |
| FEMA | The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder |
| FEMA Regulations | The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 |
| Financial Year/Fiscal | The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year |
| FPIs | A foreign portfolio investor who has been registered pursuant to the SEBI FPI |

| Term | Description |
|---|---|
| | Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 |
| FVCI | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI |
| GAAR | General Anti-Avoidance Rules |
| GBP/£ | British Pound, the official currency of the United Kingdom |
| GDP | Gross Domestic Product |
| GoI | The Government of India |
| GST | Goods and services tax |
| HUF(s) | Hindu Undivided Family(ies) |
| IAS Rules | Companies (Indian Accounting Standards) Rules, 2015 |
| ICAI | Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards |
| IFSC | Indian Financial System Code |
| Income Tax Act / IT Act | Income Tax Act, 1961 |
| Ind AS | The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| INR or ₹ or Rs. Or Indian Rupees | Indian Rupee, the official currency of the Republic of India |
| IPO | Initial public offering |
| IT | Information Technology |
| MAT | Minimum Alternate Tax |
| MCA | The Ministry of Corporate Affairs, GoI |
| MICR | Magnetic ink character recognition |
| Mn | Million |
| Mutual Funds | Mutual funds 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 |
| Notified Sections | The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect |
| NR / Non-resident | A person resident outside India, as defined under the FEMA and includes an NRI |
| NRI | Non-Resident Indian |
| NRO | Non-resident ordinary account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| OCB | 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 beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue |
| p.a. | Per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent account number |
| PAT | Profit after tax |
| QP | Qualified Purchaser |
| RBI | The Reserve Bank of India |
| Regulation S | Regulation S under the Securities Act |

| Term | Description |
|---|---|
| RoNW | Return on net worth |
| RTGS | Real Time Gross Settlement |
| Rule 144A | Rule 144A under the Securities Act |
| SCRA | Securities Contract (Regulation) Act, 1956 |
| SCRR | The Securities Contracts (Regulation) Rules, 1957 |
| SEBI | The Securities and Exchange Board of India constituted under the SEBI Act |
| SEBI Act | The Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 |
| SEBI Depository Regulations | Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 |
| SEBI ICDR Regulations | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 |
| SEBI Ind AS Circular | The SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| SEBI Takeover Regulations | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |
| Securities Act | The United States Securities Act of 1933, as amended |
| Stock Exchanges | NSE and BSE |
| STT | Securities Transaction Tax |
| Trademarks Act | Trademarks Act, 1999 |
| TDS | Tax deducted at source |
| US$/ USD/ US Dollar | United States Dollar, the official currency of the United States of America |
| USA/ U.S./ US | United States of America, its territories and possessions, any state of the United States of America and the District of Columbia |
| U.S. GAAP | Generally Accepted Accounting Principles in the United State of America |
| VAT | Value Added Tax |
| VCFs | Venture capital funds as defined in and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be |
| Year/Calendar Year | Unless context otherwise requires, shall refer to the twelve month period ending December 31 |

**Industry Related Terms**

| Term | Description |
|---|---|
| B2B | Business-to-business |
| B2C | Business-to-consumer |
| BFSI | Banking, Financial Services and Insurance |
| BPM | Business Process Management |
| DX | Digital transformation |
| e-Gov Initiatives | Initiatives undertaken by the Government of India with the aim of technology adoption for the citizens of India and inter-departmental services in India, such as Aadhaar, Goods and Services Tax Network, Demonetization etc. |
| ER&D | Engineering, research and development |
| Fintech | Financial Technology |
| GeM | Government e-Marketplace |
| GIC | Global In-house Centre |
| IT-BPM | Information Technology – Business Process Management |

| Term | Description |
|---|---|
| Nasscom | National Association of Software and Service Companies |
| Nasscom Report | Report titled "The IT-BPM Sector in India 2018 – Strategic Review" dated February 2018, published by Nasscom |
| SaaS | Software as a Service |
| SWAYAM | The Study Webs of Active-learning for Young Aspiring Minds programme initiated by the Government of India |
| Telecom | Telecommunication |

*Notwithstanding the foregoing, the terms used in "Industry Overview", "Key Regulations and Policies", "Statement of Tax Benefits", "Financial Statements", "Issue Procedure – Part B" and "Main Provisions of the Articles of Association" on pages 100, 118, 98, 150, 348 and 385, respectively shall have the meaning ascribed to them as part of the aforementioned sections.*

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India.

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

### Financial Data

Unless indicated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from the Restated Financial Statements. The Restated Financial Statements have been prepared in accordance with the Companies Act, 2013, Indian Accounting Standards (IND AS) (as applicable) and restated in accordance with the SEBI ICDR Regulations and included elsewhere in this Draft Red Herring Prospectus.

Our Company's financial year commences on April 1 and ends on March 31 of the following year accordingly, all references to a particular financial year, except for the period ended March 31, 2016 (being from the date of incorporation of our Company i.e., from September 16, 2015 to March 31, 2016) unless stated otherwise, are to the 12 month period ended on March 31 of that year. Unless the context otherwise requires, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal Year are to March 31 of that calendar year.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. 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 two decimal points to conform to their respective sources.

Our Restated Financial Statements have been prepared in accordance with Ind AS for Fiscals 2018, 2017 and 2016. There are significant differences between Ind AS and US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS. 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 our Restated Financial Information, as included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, 2013, Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Furthermore, no attempt has been made to identify disclosures, presentation or classification of differences that would affect the manner in which transactions and events are reflected in our financial statements or the respective notes thereunder. We urge you to consult your own advisors regarding such differences and their impact on our financial data. See "*Risk Factors - We have prepared our Restated Financial Statements under Indian Accounting Standards ("Ind AS"). Accounting standards under Ind AS vary from accounting standards under Indian GAAP and there can be no assurance that our financial statements prepared and presented in accordance with Ind AS will not materially or adversely vary from our historical financial statements prepared and presented under Indian GAAP, which could adversely affect the trading price of the Equity Shares*" on page 24.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 16, 110 and 280, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements prepared in accordance with Companies Act and Ind AS and restated in accordance with SEBI ICDR Regulations.

### Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US$" are to United States Dollar, the official currency of the United States; and
- "GBP" or "£" are to Pound Sterling, the official currency of the United Kingdom.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "thousand" units. One thousand represents 1,000. All the numbers in this Draft Red Herring Prospectus are in thousand or in whole numbers where the numbers have been too small to present in thousand.

**Exchange rates**

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

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

| Currency# | Exchange rate as on | | |
|---|---|---|---|
| | March 31, 2018 | March 31, 2017 | March 31, 2016 |
| 1 USD | 65.04 | 64.84 | 66.33 |
| 1 GBP | 92.28 | 80.88 | 95.09 |

*(Source: RBI reference rate www.rbi.org.in)*

*Note: In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.*

**Industry and Market Data**

The industry and market data set forth in this Draft Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources.

This Draft Red Herring Prospectus contains certain industry and market data and statements concerning our industry obtained or extracted from "The IT-BPM Sector in India 2018 – Strategic Review" dated February 2018 (the "**Nasscom Report**"), prepared and issued by Nasscom.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we have no reason to believe that industry data used in this Draft Red Herring Prospectus is not reliable, it has not been independently verified by us, none of our Directors, and the BRLM, any of its affiliates or advisors make any representation as to its accuracy or completeness. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 16.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industry we operate in.

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

- the ability of our products and services to gain market acceptance
- dependency on a limited number of clients for a significant portion of our revenues;
- our ability to develop new services and products, and enhance our existing services and products;
- our ability to respond successfully to technological advances and evolving industry standards;
- regulatory, legislative or self-regulatory developments regarding data protection;
- competitive market in which we operate may be subject to pricing and other market pressures; and
- pricing pressure due to intense competition in the market in which we operate.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 16, 110 and 280, 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 gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoters, the BRLM, the Syndicate Member(s) nor any of their respective affiliates or advisors 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 requirements, our Company will ensure that investors are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II – RISK FACTORS

*An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to 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. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 110 and 280, 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 Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. 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.*

*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 14.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Standalone Financial Information for Fiscal 2016 and Restated Consolidated Financial Information for Fiscal 2017 and Fiscal 2018, included in this Draft Red Herring Prospectus. For further information, see "Financial Information" beginning on page 150. Unless the context otherwise requires, in this section, references to "we", "us", "our", or "Company" refers to Xelpmoc Design & Tech Limited on a standalone basis in Fiscal 2016 and on a consolidated basis in Fiscal 2017 and Fiscal 2018. We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Consolidated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

### *1. We are dependent on our ability to develop new services and products, and enhance our existing services and products. If our products and services do not gain market acceptance, our operating results may be negatively affected.*

Rapid technological advances, changing delivery models and evolving standards in software development and communications infrastructure, changing and increasingly sophisticated customer needs and frequent new product introductions and enhancements characterise the industry in which we operate. Digitization is driving major changes in the global business software market, with IT leaders looking to adopt new technologies and software platforms to meet business needs, including revenue growth driven through new products and services, better customer experience and delivery mechanisms, and growth in revenue and profits. Our success depends upon our ability to anticipate, design, develop, test, market, license and support new software products, services, and enhancements of current products and services in response to evolving industry requirements.

To effectively meet customer demand, it is important that we continue to enhance our products and service offerings. We have developed progressive web apps and data services. The markets for our offerings are rapidly evolving due to which the level of acceptance of such products and services is not certain.

The software industry is increasingly focused on cloud computing, mobility, social media and platform as a service among other continually evolving trends. In addition, our products, services, and enhancements must remain

compatible with standard platforms and file formats. Often, we must integrate software licensed or acquired from third parties with our proprietary software to create or improve our products. If we are unable to successfully integrate third party software to develop new software products, services, and enhancements to existing products and services, or to complete the development of new products and services which we license or acquire from third parties, our operating results will materially suffer.

If we are unable to develop new or sufficiently differentiated products and services, enhance our product offerings and support services in a timely manner or position and price our products and services to meet demand including in response to new industry standards, customers may not purchase or subscribe to our software products or cloud offerings or renew software support or cloud subscription contracts. Renewals of these contracts are important to the growth of our business.

If the markets for our services fail to develop, develop slower than expected or experience increased competition, our business may suffer. As a result, we may be unable to successfully market our existing services and products, develop and successfully launch new products and services and enhancements to existing products and services, complete customer implementations on a timely basis, or complete products and services currently under development. If our services are not accepted by our customers or by associated businesses in our target verticals and markets, our business, operating results and financial condition will be materially adversely affected.

2. ***The business practices of our customers with respect to the collection, use and management of personal information could give rise to operational interruption, liabilities or reputational harm as a result of governmental regulation, legal requirements or industry standards relating to consumer privacy and data protection.***

As regulatory focus on privacy issues continues to increase and global laws and regulations concerning the handling of personal information expand and become more complex, potential risks related to data collection and use within our and our customers' business will intensify. In addition, many governments have enacted or are considering enacting legislation or regulations, or may in the near future interpret existing legislation or regulations, in a manner that could significantly impact our ability and that of our customers and data partners to collect, augment, analyse, use, transfer and share personal and other information that is integral to certain services we provide. This could be true particularly in those jurisdictions where privacy laws or regulators take a broader view of how personal information is defined, therefore subjecting the handling of such data to heightened restrictions that may be obstructive to our operations of that of our customers and data providers. For instance, Directive 95/46/EC or the Data Protection Directive in the European Union has been replaced by the European General Data Protection Regulation in May 2018, which imposes additional obligations and risks upon our business with respect to processing of personal data and on the free movement of such data.

We may expand our operations to countries which have passed or are considering passing legislation that requires data to remain localised “in country,” as this imposes financial costs on any service provider that is required to store data in jurisdictions not of its choosing and non-standard operational processes that are difficult and costly to integrate with global processes. Changes in laws or regulations associated with the enhanced protection of certain types of sensitive data could greatly increase our cost of providing our products and services or even prevent us from offering certain of our products and services in jurisdictions that we operate.

Regulators globally are also imposing greater monetary fines for privacy violations and some regulators may pass legislation that would impose fines for privacy violations based on a percentage of global revenues. Responding to an investigation or enforcement action could divert attention and resources of our management, which would cause us to incur investigation, compliance and defence costs and other professional fees, and adversely affect our business, operating results, financial condition and cash flows.

Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability. Any such legal proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business.

Additionally, public perception and standards related to the privacy of personal information can shift rapidly, in ways that may affect our business operations or influence regulators to enact regulations and laws that may limit our

ability to provide certain products and services. Any failure or perceived failure by us to comply with Indian or foreign laws and regulations, including laws and regulations regulating privacy, data security, or consumer protection, or other policies, public perception, standards, self-regulatory requirements or legal obligations, could result in lost or restricted business, proceedings, actions or fines brought against us or levied by governmental entities or could adversely affect our business and our reputation.

Further, the costs of compliance with, and other conditions imposed by laws, regulations and policies that are applicable to the businesses of our customers may limit the use and adoption of, and reduce the overall demand for, our products and services. Privacy and personal information security concerns may inhibit market adoption of our products and services, particularly in certain industries and foreign countries. Any such changes in the laws of any of the markets in which we operate or intend to in the future may adversely affect our results of operations and business prospects.

***3. Interruptions or performance problems associated with our technology and infrastructure may harm our business and results of operations.***

Our continued growth depends in part on the ability of our existing and potential customers to access our solutions at any time. Although there have not been instances in the past where interruptions or problems with our technology and infrastructure have caused performance issues, we may in future experience disruptions, data loss, outages and other performance problems with our technology infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, denial of service attacks or other security-related incidents. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. It may become increasingly difficult to maintain and improve our performance, especially during peak usage times and as our products and websites of our customers become more complex and user traffic increases. If our products and websites of our customers are unavailable or if users of such products and websites are unable to access products and websites within a reasonable amount of time, or at all, our business would also be harmed. Any disruptions in these services, including as a result of actions outside of our control, would significantly impact the continued performance of our products. Any loss of the right to use any of these services could result in decreased functionality of our products until equivalent technology is either developed by us or, if available from another provider, is identified, obtained and integrated into our infrastructure. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed, and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, results of operations and financial condition could be harmed.

***4. The length of our sales cycle may fluctuate significantly and depends on several external factors which may result in significant fluctuations in our revenues.***

A customer's decision to purchase our services or products often involves a comprehensive implementation process across the customer’s network(s) which includes customer education, evaluation by a number of employees in our customers’ organisations and, often, a significant strategic or operational decision by our customers. Our sales efforts involve educating our customers about the use and benefits of our products and solutions, including any potential cost savings achievable by organisations that partner with us.

Customers typically undertake a significantly long evaluation process which also involves evaluation of our competitors’ services and can result in a lengthy sales cycle. Moreover, a purchase decision by a potential customer typically requires extended evaluation, testing and the approval of senior decision makers, including the boards of directors of our customers. We spend substantial time, effort and money on our sales efforts without any assurance that our efforts will produce any sales. Additionally, licensing and implementing our products and any related services may entail a significant commitment of resources by prospective customers, accompanied by the risks and delays frequently associated with significant technology implementation projects. Such delays and fluctuations could cause our revenues and results of operation to fluctuate significantly across time periods, and we may not be able to adjust our costs quickly enough to offset such lower revenues, potentially adversely impacting our business, operating results and financial condition.

***5. The Promoter Group of our Company does not include Digamber Koora, brother of Srinivas Koora, our individual Promoter, or any entity in which Digamber Koora may have an interest.***

The Promoter Group of our Company does not include Digamber Koora, brother of Srinivas Koora, our individual Promoter, or any entity in which Digamber Koora may have an interest. Our Promoter, Srinivas Koora has disassociated himself from Digamber Koora. However, there are no formal disassociation arrangements between Srinivas Koora and Digamber Koora. Further to the disassociation, Digamber Koora and any entity in which Digamber Koora may have an interest are not included in the Promoter Group of our Company since Digamber Koora has not provided any information pertaining to himself or an entity in which they may have an interest. For further information, see "*Our Promoters and Promoter Group*" on page 143.

***6. Our business and results of operations are dependent on the contracts that we enter into with our customers. Any breach of the conditions under these contracts may adversely affect our business and results of operations.***

We have entered into contracts/ master service agreements with our customers which, depending on the customer, may contain terms and conditions which typically include: (i) the nature and specification of services to be provided by us, (ii) customisation and integration of the software with our customers' pre-existing systems, (iii) manner of inspection, testing and acceptance of software provided by us, (iv) assignment of the work and non – compete (v) representations, warranties and disclaimers made by us in relation to the services provided by us, (vi) delays, corrective steps and damages, (viii) undertakings in relation to protection of intellectual property of our customers, (ix) indemnification of our customers due to our negligence or breach of any term of the agreement, and (x) limitation of liability.

At times, we may have to agree with certain onerous terms laid down by our customers. Our customers may require us to furnish a service guarantee pursuant to the issuance of a statement of work. For instance, some of our customers are also entitled to terminate their contracts with us unilaterally, and in most cases, without cause and by providing a notice. Further, certain customers prohibit us from deploying any employees, agents or subcontractors to provide services to competitors of our existing customers. These onerous terms may affect our future growth and expansion of our customer base.

In addition, our agreements with customers and other third parties include indemnification or other provisions under which we agree to indemnify or otherwise be liable to them for losses suffered or incurred as a result of claims of intellectual property infringement, or any default, breach or omission by us in relation to the agreements. The term of these contractual provisions often survives termination or expiration of the applicable agreement. Large indemnity payments or damage claims from contractual breach could harm our business, results of operations and financial condition. Although we normally contractually limit our liability with respect to such obligations, we may still incur substantial liability related to them. Any dispute with a customer with respect to such obligations could have adverse effects on our relationship with that customer and other current and prospective customers, reduce demand for our products, damage our reputation and harm our business, results of operations and financial condition.

While we internally consider all such factors prior to entering into these contracts, we cannot assure you that we will be able to continue to enter into similar such contracts in the future, which are not more onerous than the contracts we enter into currently. Additionally, non-compliance with the terms of our contracts, including breach of confidentiality provisions, may subject us to damages or penalties, lead to termination of the contracts and also result in us being unable to attract further business in the future.

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

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

If we have any errors, defects, disruptions in service or other performance problems with our services, our customers could elect not to renew our contract, or delay or withhold payments to us and we could lose future sales. Further,

our customers may make claims against us, which could result in an increase in our provision for doubtful accounts, an increase in collection cycles for accounts receivable or litigation costs. We may in the future experience, misuse of our services or platforms. The occurrence of any such events in the future could lead to user dissatisfaction and discourage the use of our products and services. Such events may also give rise to complaints and actions against us. All these factors could adversely affect our business and results of operation.

***8. We have a limited operating and financial history, which makes it difficult to accurately assess our future growth prospects. Further, our restated financial statements for Fiscal 2016 (September 16, 2015 to March 31, 2016) and Fiscal 2017 (12 months ended March 31, 2017) are not comparable due to our Company's formation in September 2015.***

Our Company was incorporated on September 16, 2015 and commenced operations in Fiscal 2016. For further information, see *"History and Certain Corporate Matters"* on page 122. Consequently, our financial statements, including the details of our profit and loss account, as set out in the section "*Financial Statements*" on page 150, are available only from Fiscal 2016. As such, we have a very limited operating history, and our success is dependent on our ability to effectively implement our businesses. Our limited financial and operating history may not provide an accurate basis for investors to understand our business and financial history for comparative analysis and evaluate our future business and financial prospects. In addition, our results of operations for Fiscal 2016 include the period beginning from September 16, 2015 to March 31, 2016 and is therefore, not comparable to our results of operations for Fiscal 2017. Further, until Fiscal 2016, our Company did not have any subsidiaries, associates and joint ventures, and no consolidated financial statements were prepared. In Fiscal 2017, we acquired 25.00% of the shareholding in IFTOSI Jewels Private Limited which was considered as an associate for the purpose of preparing the Restated Consolidated Financial Statements for Fiscal 2017. Accordingly, our results of operations in Fiscal 2016 are not comparable to that in Fiscal 2017 not only due to the difference in the length of the fiscal period but also since our consolidated results of operations in Fiscal 2017 includes the consolidated results of operations of IFTOSI Jewels Private Limited with effect from the relevant acquisition date. Therefore, our Restated Consolidated Financial Statements relating to such fiscal periods are not comparable to each other.

Assessing the future prospects of our business is challenging in light of both known and unknown risks and difficulties we may encounter, and could place significant demands on the management team and our other resources. We will be subject to all the business risks and uncertainties associated with setting up any new business venture, which may adversely affect our business, prospects, results of operations and financial condition.

***9. Our work with government departments and agencies expose us to business volatility and risks, including government budgeting cycles and appropriations.***

Historically, we have derived some of our revenues from contracts with the central and state governments of India and their respective agencies and public sector undertakings ("PSUs"). Typically government / PSU contracts are subject to several approvals to fund the expenditures under these contracts. We are exposed to business volatility and risks associated with government business including termination of contracts, delayed payments, expropriations, suspension of business and debarment from future government business, without in many cases the possibility of effective legal or financial recourse. Further, agreements with government departments and agencies or PSUs are typically in relation to a specified set of requirements and deliverables and may not be renewed. Finally, sales to government departments and agencies may involve longer payment cycles which may increase our trade receivables and average debtor days. If our sales to government departments and agencies fall in the future, our results of operations may be adversely affected.

***10. We may be sued by third parties for alleged infringement or misappropriation of their proprietary rights.***

There is considerable intellectual property development activity in our industry. Our future success depends in part on not infringing upon or misappropriating the intellectual property rights of others. Our competitors or other third parties may claim that we are infringing upon or misappropriating their intellectual property rights, and we may be found to be infringing upon or misappropriating such rights. We may be unaware of the intellectual property rights of others that may cover some or all of our technology, or technology that we obtain from third parties. Any claims or litigation could cause us to incur significant expenses and, if successfully asserted against us, could require that we pay substantial damages, prevent us from offering our products or using certain technologies, require us to implement expensive work-arounds or require that we comply with other unfavourable terms. In the case of infringement or misappropriation caused by technology that we obtain from third parties, any indemnification or

other contractual protections we obtain from such third parties, if any, may be insufficient to cover the liabilities we incur as a result of such infringement or misappropriation. We may also be obligated to indemnify our customers or business partners in connection with any such claims or litigation and to obtain licenses, modify our products or refund fees, which could further exhaust our resources. In addition, we may incur substantial costs to resolve claims or litigation, whether or not successfully asserted against us, which could include payment of significant settlement, or license fees, modification of our products or refunds to customers of fees. Even if we were to prevail in the event of claims or litigation against us, any claim or litigation regarding our intellectual property could be costly and time-consuming and divert the attention of our management and other employees from our business operations and disrupt our business.

***11. Our Company has made investments in other companies including in relatively newly established companies. While the investments offer the opportunity for substantial returns and capital gains, they also involve a high degree of risk that can result in substantial losses***

We have made investments in newly established companies in the past and may continue to make such investments in the future with parties that we believe can provide access to new markets, capabilities or assets. The acquisition and investments subject us to risks and we cannot assure that any such investments will be successful or meet our expectations. There can be no assurance that our Company will correctly evaluate the nature and magnitude of the various factors that may affect the value of such investments. If it does not, we may suffer losses, dilute value to shareholders, may not be able to take advantage of appropriate investment opportunities or complete transactions on terms commercially acceptable to us. In addition, our Company has not made any provision in the Restated Financial Statements for a decline in the value of such investments. The value of the investments may fluctuate due to variety of factors that are difficult to predict, such as domestic or international economic and political developments, which may significantly affect the value of our investments and thereby affect our results of operations and financial condition.

In addition, newly established companies may have little or no operating history, unproven methodology, untested or newly assembled management and unknown future capital requirements. These companies often face intense competition from larger and/ or more experienced companies with much greater financial and technical resources, more marketing and service capabilities and a greater number of qualified personnel, which can give rise to operational difficulties. While we conduct due diligence exercises and evaluate the financial and business model of potential investee companies, there can be no assurance that such investee company is, and will continue to be, fully compliant with all necessary regulations. We may also fail to discover liabilities that are not properly disclosed or we may be unable to assess adequately as party of our diligence efforts liabilities that may arise out of regulatory non-compliance, contractual obligations or breaches. If we are unable to obtain indemnification protection or other contractual protections or relief for any material liabilities associated with our acquisitions or investments, our business, financial condition and results of operations could be harmed.

Further, our Company has given unsecured loans amounting to ₹ 4,692.12 thousand to certain third parties as on March 31, 2018. Unsecured loans are at higher credit risk for us because they may not be supported by realisable collateral that could help ensure an adequate source of repayment for the loan. Any failure to recover in part or all the unsecured advances given to the borrower would expose us to a potential loss, which could adversely affect our financial condition and results of operations.

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

The competition we face in the sales of our products and services and general economic and business conditions as well as changes in the IT industry standards and landscape, can put pressure on us to change our pricing models. If our competitors offer deep discounts on certain products or services or develop products that the marketplace considers more valuable, we may need to lower prices or offer other favourable terms in order to compete successfully. Any such changes may reduce our sales or margins and could adversely affect our business and operating results. The increased availability and adoption of open source software may also cause us to change our pricing models in the short term as we transition to increase our presence in the cloud platform.

Our competitors may offer lower pricing on their offerings, which could put pressure on us to further discount our products and services. Any broad-based change to our prices and pricing policies could cause our revenues to decline or be delayed as our sales force implements and our customers adjust to the new pricing policies. Some of our competitors may bundle products for promotional purposes or as a long-term pricing strategy or provide

guarantees of prices and product implementations. These practices could, over time, significantly constrain the prices that we can charge for some of our products. If we do not adapt our pricing models to reflect changes in customer use of our products or changes in customer demand, our revenues could decrease.

***13. We derive a significant portion of our revenues from a limited number of clients. The loss of, or a significant reduction in the revenues we receive from, one or more of these clients, may adversely affect our business.***

We derive a significant portion of our revenues from a limited number of clients. For the Fiscal 2016, 2017 and 2018, our top five clients cumulatively accounted for 100.00%, 100.00% and 88.76%, respectively, of our revenues. For the same periods, our ten largest clients accounted for 100.00%, 100.00% and 98.34%, respectively, of our revenues. Since there is significant competition for the services we provide and we are typically not an exclusive service provider to our large enterprise clients, the level of revenues from our largest clients could vary from year to year. Our largest clients typically retain us under master services agreements that do not provide for specific amounts of guaranteed business from these clients. These agreements are typically terminable by our clients with short notice and without significant penalties. We depend in large part on our ability to generate additional business from our base of existing clients. Due to the nature of services we offer, we have multi-level engagements with our clients and we perform a customized service to deliver solutions and services that are tailored to those needs. If a client is not satisfied with the nature of the outcome of the services performed by us or product developed by us, we could incur additional costs to address the situation, the profitability of that work might be impaired, and the client's dissatisfaction with our services could damage our ability to obtain additional work from that client.

***14. Product development is a long, expensive and uncertain process and our current expenditure in product development may not provide a sufficient or timely return.***

The development of our products is a costly, complex and time-consuming process, and the investment in their development often involves a long wait until a return is achieved on such an investment. We have made, and will continue to make, significant investments in product development and related product opportunities. Investments in new technology and processes are inherently speculative. Commercial success depends on many factors, including the degree of innovation of the software products and services developed and effective distribution and marketing. Such expenditure may adversely affect our operating results if they are not offset by corresponding and timely revenue increases. We must continue to dedicate a significant amount of resources to our research and development efforts in order to maintain our competitive position. However, significant revenues from new software product and service investments may not be achieved for a number of years, or at all. Moreover, new software products and services may not be profitable, and even if they are profitable, operating margins for new software products and services may not be in line with the margins we have experienced for our existing or historical software products and services.

Moreover, we may determine that certain products or services do not have sufficient potential to warrant the continued allocation of resources and accordingly, we may elect to terminate the development of such products. If we terminate a product in development in which we have invested significant resources, our prospects may suffer, as we will have expended resources on a project that will not provide any return on our investment and also may have missed the opportunity to have allocated those resources to potentially more productive uses. In turn, this may adversely impact our business, operating results and financial condition.

***15. If security measures implemented by us are compromised or if our products and services are perceived as vulnerable, our operations could be materially adversely affected.***

Our products and services store, retrieve and manage our customers' information and data, external data, as well as our own data. Third parties may identify and exploit product and service vulnerabilities, penetrate or bypass our security measures, and gain unauthorised access to our or our customers', partners' and suppliers' software and cloud offerings, networks and systems, any of which could lead to the compromise of personal information or the confidential information or our data or that of our customers. Data may be accessed or modified improperly as a result of customer, partner, employee or supplier error or misconduct and third parties may attempt to fraudulently induce customers, partners, employees or suppliers into disclosing sensitive information such as user names, passwords or other information in order to gain access to our data, our customers', suppliers' or partners' data or our IT systems, customers, suppliers or partners.

High-profile security breaches at companies have increased in recent years, and security industry experts and government officials have warned about the risks of hackers and cyber-attacks targeting IT products and businesses. These risks will increase as we continue to grow our offerings and store and process increasingly large amounts of data, including personal information and our customers' confidential information and data and other external data, especially in customer sectors involving particularly sensitive data such as healthcare, financial services and the government.

Further, as privacy and data protection become more sensitive issues in India, we may also become exposed to potential liabilities. For instance, under the Information Technology Act, 2000, as amended, we are subject to civil liability for wrongful loss or gain arising from any negligence by us in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information on our computer systems, networks, databases and software. India has also implemented privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use and disclosure of personal information. Any systems failure or security breach or lapse on our part or on the part of our employees that results in the release of user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability.

We could suffer significant damage to our brand and reputation if a cyber-attack or other security incident were to allow unauthorised access to or modification of our customers' or suppliers' data, other external data, or our own data or our IT systems or if the services we provide to our customers were disrupted, or if our products or services are perceived as having security vulnerabilities. Customers could lose confidence in the security and reliability of our products and services, and this could lead to fewer customers using our products and services and result in reduced revenue and earnings. The costs we may incur to address and fix these security incidents would increase our expenses. These types of security incidents could also lead to breach of contracts with customers, lawsuits, regulatory investigations and claims and increased legal liability, including contractual costs related to customer notification and fraud monitoring, all of which could materially adversely affect us.

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

Our industry is highly fragmented and intensely competitive. Our competitors are numerous, ranging from small private firms to multi-billion dollar public companies. Contract awards are based primarily on quality of service, relevant experience, staffing capabilities, reputation, geographic presence, stability and price. In addition, the technical and professional aspects of our services generally do not require large upfront capital expenditures and provide limited barriers against new competitors. Many of our competitors have achieved greater market penetration in some of the markets in which we compete and have more personnel, technical, marketing and financial resources or financial flexibility than we do. If our competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to offer services similar to ours at lower prices without adversely affecting their profit margins. Even if our offerings address industry and client needs, our competitors may be more successful at selling their services. If we are unable to provide our clients with superior services and solutions at competitive prices or successfully market those services to current and prospective clients, our business, results of operations and financial condition may suffer. These competitive forces could force us to make price concessions or otherwise reduce prices for our services. If we are unable to maintain our competitiveness, our market share, revenue, and profits could decline.

***17. Investments in or acquisitions of other businesses, products or technologies could disrupt our business and we may be unable to integrate acquired businesses and technologies successfully or achieve the expected benefits of such acquisitions.***

We have acquired stake in certain companies and plan to evaluate and consider additional strategic transactions, including acquisitions of, or investments in, businesses, technologies, services, products, and other assets in the future. We also may enter into relationships with other businesses to expand our products, which could involve preferred or exclusive licenses, additional channels of distribution, discount pricing or investments in other companies.

Any acquisition, investment or business relationship may result in unforeseen operating difficulties and expenditures. In particular, we may encounter difficulties assimilating or integrating the businesses, technologies, products, personnel or operations of the acquired companies, particularly if the key personnel of the acquired companies choose not to work for us, their software and services are not easily adapted to work with our products,

or we have difficulty retaining the customers of any acquired business due to changes in ownership, management or otherwise. Acquisitions may also disrupt our business, divert our resources and require significant management attention that would otherwise be available for development of our existing business. We may not successfully evaluate or utilize the acquired technology or personnel, or accurately forecast the financial impact of an acquisition transaction, including accounting charges. Moreover, the anticipated benefits of any acquisition, investment or business relationship may not be realized or we may be exposed to unknown risks or liabilities.

In the future, we may not be able to find suitable acquisition candidates, and we may not be able to complete acquisitions on favorable terms, if at all. Our previous and future acquisitions may not achieve our goals, and any future acquisitions we complete could be viewed negatively by users, customers, developers or investors.

Negotiating these transactions can be time consuming, difficult and expensive, and our ability to complete these transactions may often be subject to approvals that are beyond our control. Consequently, these transactions, even if announced, may not be completed. For one or more of those transactions, we may:

- issue additional equity securities that would dilute our existing shareholders;
- use cash that we may need in the future to operate our business;
- incur large charges, expenses or substantial liabilities;
- incur debt on terms unfavorable to us or that we are unable to repay;
- encounter difficulties retaining key employees of the acquired company or integrating diverse software codes or business cultures;
- statutory compliances may become a challenge given our limited knowledge of operations of the companies where we have invested; and
- become subject to adverse tax consequences, substantial depreciation, impairment or deferred compensation charges.

***18. We have prepared our Restated Financial Statements under Indian Accounting Standards ("Ind AS"). Accounting standards under Ind AS vary from accounting standards under Indian GAAP and there can be no assurance that our financial statements prepared and presented in accordance with Ind AS will not materially or adversely vary from our historical financial statements prepared and presented under Indian GAAP, which could adversely affect the trading price of the Equity Shares.***

The Ministry of Corporate Affairs, GoI pursuant to a notification dated February 16, 2015 set out the timelines for the implementation of Ind AS. Our Company is not covered by the road map prescribed by Ministry of Corporate Affairs, GoI and hence our statutory accounts are prepared in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP"). For the purpose of restatement, our Company has prepared financial statements as per Ind AS from the date of incorporation. Appropriate reconciliations are given for the Ind AS financial statements.

Accordingly, our Company has prepared its restated financial statements in accordance with Ind AS with effect from the date of incorporation of our Company, September 16, 2016 (together with the restated financial statements for corresponding periods in previous years). For purposes of transition to Ind AS, we have followed the guidance prescribed under Ind AS 101 – First time adoption of Indian Accounting Standards ("Ind AS 101") with April 1, 2016 as the transition date. For all periods up to and including Fiscal 2018, we prepared our financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP"). Ind AS varies in many respects from Indian GAAP under which our financial statements were previously prepared and presented.

In this Draft Red Herring Prospectus, we have presented financial information for Fiscal 2016, 2017 and 2018 in accordance with Ind AS instead of Indian GAAP. Our Restated Financial Statements also include reconciliation statements of the Ind AS financial statements for Fiscal 2016, 2017 and Fiscal 2018 with our historical Indian GAAP financial statements for Fiscal 2016, 2017 and 2018 explaining the impact of transition to Ind AS on the preparation and presentation of our financial statements. For the purposes of preparing Restated Financial Statements, we have followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e., April 1, 2016. Accordingly, suitable restatement adjustments (both remeasurements and reclassifications) in the accounting heads are made to Restated Financial Statements as at March 31, 2016 and for the period ended September 16, 2015 to March 31, 2016 following

accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS.

There can be no assurance that the impact of Ind AS on our future financial statements will not be more significant or that they will be comparable to the information provided in such Ind AS reconciliation information. There is not yet a significant body of established practice on which to draw informed judgments regarding its implementation and application. Additionally, Ind AS differs in certain respects from IFRS and U.S. GAAP and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS and U.S. GAAP. 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 practices. Potential investors should consult their own professional advisors for an understanding of the differences between Ind AS with IFRS and U.S. GAAP and how those differences might affect the financial information disclosed in this Draft Red Herring Prospectus. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity in future will not appear materially worse under Ind AS than under Indian GAAP. The estimates and assumptions used in the preparation of our financial statements in accordance with Ind AS will be based upon management's evaluation of the relevant facts and circumstances as on the date of the relevant financial statements, and such estimates and underlying assumptions may be reviewed in the future on an ongoing basis. We may also encounter difficulties in the ongoing process of implementing and enhancing our management information systems.

***19. Our results of operation are dependent on the ability of companies in which we have acquired stake to grow their business.***

As part of our business and as consideration for our services, we also acquire stake in early stage companies engaged in strategic growth sectors. As at March 31, 2018, we had non-current investments (valued at fair value through balance sheet) of ₹ 153,122.47 thousand in Fortigo Network Logistics Private Limited, ₹ 2,923.34 thousand in Gyankosh Solutions Private Limited, ₹ 15.20 thousand in IFTOSI Jewels Private Limited, ₹ 6,284.90 thousand in Ideal Insurance Brokers Private Limited ₹ 6,627.29 thousand in Inqube Innoventures Private Limited, ₹ 2,499.98 thousand in Intellibuzz TEM Private Limited ₹ 2,488.59 thousand in PHI Robotics Research Private Limited and ₹ 16,006.17 thousand in Mihup Communication Private Limited.

The growth of our business is dependent on the ability of such companies to grow their business. We may not enter into shareholders' agreements with the other equity partners and investors that would provide for our control of such companies through board directorships or otherwise. In such cases, the equity partners and other investors will have significant control over the ventures, which may limit our flexibility to make decisions relating to the ventures. Such investments may exhibit losses due to decisions or business processes that we have no control over or due to our lack of adequate powers to initiate remedial actions. In addition, if the share price of any of these ventures declines, the value of our investment could be adversely affected.

***20. Our failure to adapt to technological developments or industry trends could affect the performance and features of our products and services, and reduce our attractiveness to our customers.***

As our operations grow in scope and size, whether through offering of new services or expansion into new markets, we must continuously improve, upgrade, adapt and expand our systems and infrastructure to offer our customers enhanced services, features and functionality ahead of rapidly evolving customer demands, while maintaining the reliability and integrity of our systems and infrastructure in a cost-efficient and competitive manner. The systems, infrastructure and technologies we currently employ may become obsolete or be unable to support our increased size and scale. Even if we are able to maintain, upgrade or replace our existing systems or innovate or customize and develop new technologies and systems, we may not be as quick or efficient as our competitors in upgrading or replacing our systems. We may be unable to devote adequate financial resources or obtain sufficient financing on commercially acceptable terms in time, or at all, which may have a material adverse effect on our business, prospects, results of operation and financial condition.

Further, we may also not be able to attract talent to continue with the required upgrades and improvements to our systems. Our new systems, infrastructure and technologies may not perform satisfactorily, or be used effectively and we may also fail to adapt our products and services to our increased size and scale, customer requirements or emerging trends and industry standards. Further, there is no assurance that we will be able to downsize and scale back our systems and platforms quickly and efficiently enough to reduce unnecessary costs and expenses in the

event that user demand falls below our expectations. In addition, to effectively manage our growth, we will also need to continue to improve our operational, financial and management controls, and our reporting systems and procedures. During the past few years, we have experienced growth in our business operations, which has placed, and will continue to place, significant demands and stress on our managerial, operational, and financial infrastructure. Our revenue from operations increased from ₹ 208.33 thousand (on a standalone basis) in Fiscal 2016 to ₹ 48,700.34 thousand in Fiscal 2018. In particular, continued growth increases the challenges involved in, amongst others, continuous training and development of skilled and competent personnel and employees and developing and improving internal administrative infrastructure. These systems, enhancements and improvements will require significant capital expenditures and management resources. Failure to implement these improvements could adversely affect our ability to manage our growth. If we do not effectively manage our growth or appropriately expand and upgrade or downsize and scale back our systems and platforms, as the case may be, in a timely manner or at a reasonable cost, or both, or at all, we may lose market opportunities or damage our attractiveness and reputation with our customers, which may adversely affect our business, financial condition and results of operations.

***21. All Indian companies, including our Company, are subject to a new revenue recognition standard, Ind AS 115, effective April 1, 2018.***

The Ministry of Company Affairs has vide a notification dated March 28, 2018 introduced a new model for revenue recognition under Ind AS 115 for accounting periods beginning on or after April 1, 2018. Ind AS 115 supersedes current accounting standards for revenue, including Ind AS 18, Revenue. Ind AS 115 introduces a single model for recognizing revenue from contracts with customers. This standard applies to all contracts with customers, with only some exceptions, including certain contracts accounted for under other standards. The standard requires revenue to be recognized in a manner that depicts the transfer of promised goods or services to a customer and at an amount that reflects the consideration expected to be received in exchange for transferring those goods or services. There is no assurance that the application of Ind AS 115 will not have a material adverse effect on our results of operations, cash flows and financial condition. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Recent Accounting Pronouncements and Changes in Accounting Policies*" of page 301.

This Draft Red Herring Prospectus does not include any financial statements subsequent to March 31, 2018, when Ind AS 115 became applicable. Accordingly, any financial statements or information that we prepare in accordance with Ind AS 115 in the future, may not be comparable to our historical financial statements, including those included in this Draft Red Herring Prospectus. Given the uncertainties relating to the interpretation and application of Ind AS 115, we are unable to provide any quantitative impact information with respect to the application of Ind AS 115. Investors should make their own assessment and seek expert advice on the potential impact of Ind AS 115 to the financial performance and reporting of companies such as us and make any investment decision based on such assessment.

***22. The proper functioning of our solutions may be impaired by fraudulent or malicious activity, including non-human traffic.***

It is possible that fraudulent or malicious activity, including non-human traffic, could impair the proper functioning of our solutions. For instance, the use of bots or other automated or manual mechanisms could adversely affect the performance of our services and solutions. It may be difficult to detect fraudulent or malicious activity, particularly because the perpetrators of such activity may have significant resources at their disposal, may frequently change their tactics and may become more sophisticated, requiring us to update, upgrade and improve our processes for detecting and controlling such activity. Such fraudulent or malicious activity could result in negative publicity and reputational harm and require significant additional management time and attention. Further, if we fail to detect or prevent fraudulent or malicious activity in a timely manner, or at all, our customers may experience or perceive a reduced return on their investment or heightened risk associated with the use of our products and services, resulting in refusals to pay, demands for refunds, loss of confidence, withdrawal of future business and potential legal claims.

***23. We incurred losses in the past. In the event our losses continue to increase, it may adversely affect our business and financial condition.***

We have incurred losses in Fiscal 2018 and 2017. Our Company's restated loss after tax, on a consolidated basis, of ₹ 35,032.34 thousand in Fiscal 2018 and ₹ 28,559.32 thousand in Fiscal 2017. For further information, see

"*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 280. There can be no assurance that we will not incur losses in the future which may have an adverse effect on our business and financial condition.

***24. Our client's proprietary rights may be misappropriated by our employees in violation of applicable confidentiality and non-disclosure agreements and as a result, cause us to breach our contractual obligations in relation to such proprietary rights.***

We can give no assurance that the steps taken by us will be adequate to enforce our clients intellectual property rights or to adequately prevent the disclosure of confidential information by an employee or subcontractor or a subcontractor's employee. If our client's proprietary rights are misappropriated by our employees in violation of any applicable confidentiality agreements or otherwise, our clients may consider us liable for that act and seek damages and compensation from us. In addition, our client contracts may require us to comply with certain security obligations including maintenance of network security, back-up of data, ensuring our network is virus free and ensuring the credentials of our people that work with our clients. We cannot assure you that we will be able to comply with all such obligations and that we will not incur liability nor have a claim for substantial damages against us.

***25. We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims.***

Our brand names may be subject to counterfeiting or imitation, which could adversely impact our reputation and lead to loss of consumer confidence, reduced sales and higher administrative costs. However, we have applied for registration of our brand name *Xelpmoc* and *Xelp* under class 9, 16 and 42 under the Trade Marks Act, 1999. We are yet to receive registration or final approval for use of abovementioned trademarks from the Registrar of Trademarks. For further information, see "*Government and Other Approvals – Approvals in relation to intellectual property of our Company*" on page 307. However, there can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property.

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

Although, we generally do not enter into long-term supply contracts with our customers, our business is dependent on developing and maintaining a continuing relationship with our key clients and customers. In the event of a significant decline in the demand for our products or services by our key clients, our business, results of operations and financial condition may be materially and adversely affected. There can be no assurance that we will be able to maintain the historic levels of business from these clients and customers or that we will be able to replace these clients in case we lose any of them.

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

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

***28. We are exposed to the credit risks of our customers.***

We may extend credit terms to our customers ranging from 120 to 150 days on a case-to-case basis depending on, amongst others, their creditworthiness and the length of the customer relationship. Our trade receivables in Fiscal 2018, 2017 and 2016 were ₹ 15,917.40 thousand, ₹ 4,688.63 thousand and ₹ 208.33 thousand, respectively.

Our customers may be unable to meet their contractual payment obligations to us, either in a timely manner or at all. The reasons for payment delays, cancellations or default by our customers may include insolvency, bankruptcy, insufficient financing or working capital due to late payments by their respective end-customers. We may not be able to enforce our contractual rights to receive payment through legal proceedings. In the event that we are not able to collect payments from our customers, our business, results of operations, cash flows and financial condition may be adversely affected.

***29. We may be unable to generate sustainable revenue without substantial sales marketing or distribution capabilities.***

We have not substantially commenced our planned business strategy towards our sales and marketing activities. We cannot guarantee that we will be able to develop a sales and marketing plan or to develop effective operational capabilities. In the event we are unable to successfully implement these objectives, we may be unable to generate sales and consequently may be forced to cease operations.

We may also be unable to obtain sufficient quantities of quality clientele on acceptable commercial terms because we do not have any long term agreements or commitments in place. Our business would be seriously harmed if we were unable to develop and maintain relationships with repeat customers on acceptable terms.

***30. 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 the past entered into transactions with certain of our Promoters, Directors, and enterprises over which our Directors have a significant influence. 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 related party transactions in the future. Such related party transactions may potentially involve conflicts of interest.

In Fiscal 2016, 2017 and 2018 the aggregate amount of such related party transactions was ₹ 20,430.49 thousand, ₹ 45,046.94 thousand, and ₹ 81,101.78 thousand, respectively. The percentage of the aggregate value such related party transactions to our revenue from operations in Fiscal 2016, 2017 and 2018 was 9,806.65%, 239.12%, and 166.53%, respectively. For further information on our related party transactions, see "*Related Party Transactions*" on page 148. We cannot assure you that such transactions, 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.

***31. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated. We may in the future experience negative operating cash flows.

*(₹ in thousand)*

| Particulars | Fiscal | | |
|---|---|---|---|
| | 2016 | 2017 | 2018 |
| Net cash flow from / (used in) from operating activities | 21,518.35 | 106,853.69 | (47,683.49) |
| Net cash flow from / (used in) investing activities | (40,080.36) | (140,112.15) | (22,073.69) |
| Net cash flow from / (used in) the financing activities | 20,274.99 | 33,617.37 | 89,399.24 |
| Net increase/(decrease) in cash and cash equivalents | 1,712.98 | 358.91 | 19,642.06 |

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, future financial performance and results of operations could be materially and adversely affected. For further

information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 280.

***32. 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.***

We have never declared or paid any cash dividends on our Equity Shares since incorporation of our Company. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. 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. As on date, our Company has not adopted any formal dividend policy. 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. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. 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.

***33. We utilize the services of certain consultants for our operations. Any deficiency or interruption in their services could adversely affect our business operations and reputation.***

We engage third party consultants from time-to-time for certain of our services and development of our products. Our ability to control the manner in which services are provided by third party consultants is limited and we may be liable legally or suffer reputational damage on account of any deficiency of services on part of such consultants. We cannot assure you that we will be successful in continuing to receive uninterrupted and quality services from our third-party consultants. Any disruption or inefficiency in the services provided by our third party consultants could interrupt our business operations and damage our reputation.

***34. Certain Promoters and Directors hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.***

Certain of our Promoters and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters 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. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*" and "*Our Promoters and Promoter Group*" on pages 129 and 143, respectively.

***35. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilise the Net Proceeds for purchase of IT hardware and network equipment's for development centres in Kolkata and Hyderabad, purchase of fit outs for new development centres in Kolkata and Hyderabad, funding the working capital requirements of our Company and general corporate purposes. For further information of the proposed objects of the Issue, see "*Objects of the Issue*" on page 86. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. Pursuant to Section 27 of the Companies Act 2013, any variation in the objects of the Issue would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects of the Issue, in accordance with the Articles of Association of our Company and as may otherwise be prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change

in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

***36. Demand from our clients is cyclical and vulnerable to economic downturns. If the economy weakens or client spending declines further, then our revenue, profits and financial condition may deteriorate.***

Demand for services from our clients is cyclical and vulnerable to economic downturns, which may result in clients delaying, curtailing, or cancelling proposed and existing projects. Our business traditionally lags the overall recovery in the economy. Therefore, our business may not recover immediately when the economy improves. If the economy weakens or client spending declines further, then our revenue, profits, and overall financial condition may deteriorate.

In addition, our existing and potential clients may either postpone entering into new contracts or request price concessions. Difficult financing and economic conditions may cause some of our clients to demand better pricing terms or delay payments for services we perform, thereby increasing the average number of days our receivables are outstanding and the potential of increased credit losses on uncollectible invoices. Further, these conditions may result in the inability of some of our clients to pay us for services that we have already performed. If we are not able to reduce our costs quickly enough to respond to the revenue decline from these clients, our operating results may be adversely affected. Accordingly, these factors affect our ability to forecast our future revenue and earnings from business areas that may be adversely impacted by these market conditions.

***37. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Furthermore, in the absence of such independent appraisal, or the requirement for us to appoint a monitoring agency in terms of the SEBI ICDR Regulations, our funding requirements may be subject to change based on various factors which are beyond our control. For further information, see "*Objects of the Issue*" on page 86. We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations or other external factors, which may not be within the control of our management. Further, quotations from suppliers are only valid for limited periods and there can be no assurance that we will be able to obtain new quotations from these or other suppliers on the same terms.

***38. We have relied on a report from NASSCOM, which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us.***

We have relied on a report titled "*The IT-BPM Sector in India: Strategic Review 2018*" by NASSCOM ("**NASSCOM Report**"), which has been used for industry related data that has been disclosed in this Draft Red Herring Prospectus. We have not independently verified such data and therefore, while we believe them to be true, we can make no assurance that they are complete or reliable. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. 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. While industry sources take due care and caution while preparing the report, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. For further information, see "*Industry Overview*" on page 100.

***39. The loss of licenses to use third party software or the lack of support or enhancement of such software could adversely affect our business and operations.***

We currently depend on a limited number of third party software products. If such software products were to become unavailable for any reason, we might experience delays or increased costs in continuing the production of our existing software products or the development of our new software products. For our products, we typically rely on software that we license from third parties, including software that is integrated with internally developed software and which may be used in our products to perform key functions. These third party software licenses may not continue to be available to us on commercially reasonable terms or at all and the related software may not

continue to be appropriately supported, maintained, or enhanced by the licensors. The loss of the license to use, or the inability by licensors to support, maintain, or enhance any of such software, could result in increased costs, lost revenues or delays until equivalent software is internally developed or licensed from another third party and integrated with our software. There can be no assurance that we will be successful in licensing third party software on commercially acceptable terms in a timely manner. Such increased costs, lost revenues or delays could adversely affect our business and operations.

***40. 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. We may provide services to our customers, who in-turn may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply, such as Iran. Although we are currently not in violation of any applicable sanctions, if it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

***41. Our Company does not have a listed peer which is engaged in a similar line of business or whose business is comparable with our business and therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.***

As on the date of this Draft Red Herring Prospectus, there are no companies which are involved exclusively is a business similar to ours, which are listed on the Indian stock exchanges and accordingly, we are not in a position to provide comparative analysis of our performance with any listed company. Therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue. For further information, see "*Basis for Issue Price - Comparison with Listed Industry Peers*" on page 96.

***42. We have issued Equity Shares during the last one year at a price that may be below the Issue Price.***

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price. For further information, see "*Capital Structure*" on page 73.

The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Price Band, Issue Price and the trading price of our Equity Shares after listing.

***43. We depend on our executive officers and other key employees and the loss of one or more of these employees or an inability to attract and retain highly skilled employees could harm our business.***

Our success depends largely upon the continued services of our executive officers and key employees. We rely on our leadership team and other key employees in the areas of strategy, operations, security, marketing, IT, support and general and administrative functions. The loss of one or more of our executive officers or key employees could harm our business.

In addition, in order to execute our growth plan, we must attract and retain highly qualified personnel. We have from time to time experienced, and we expect to continue to experience, difficulty hiring and retaining employees with appropriate qualifications. Our success is dependent, in large part, on our ability to keep our supply of skills and resources in balance with client demand and our ability to attract and retain personnel with the knowledge and skills to lead our business. Experienced personnel in our industry are in high demand, and competition for talent is intense. We must hire, retain and motivate appropriate numbers of talented people with diverse skills in order to serve clients, respond quickly to rapid and ongoing technology, industry and macroeconomic developments and grow and manage our business. If we are unable to hire talented engineering personnel, we may be unable to scale our operations or release new services in a timely fashion and, as a result, customer satisfaction with our services may decline. If there is increase in demand for outsourcing services, we may not be able to develop and deliver new

services and solutions to fulfil client demand. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business, results of operations and financial condition could be harmed.

***44. One of the members of our Promoter Group is engaged in a similar line of business as our Company. Any conflict of interest which may occur between our business and the business of the member of our Promoter Group, could adversely affect our business, prospects, results of operations and financial condition.***

One of the entities forming part of our Promoter Group, i.e., Xap Technologies Private Limited, is authorized under its constitutional documents to engage in a similar line of business as us. We cannot assure you that our Promoters will not favour the interests of such entities which are engaged in a similar lines of business as our Company.

We have not entered into any non-solicitation or non-compete agreement with such entity. There can be no assurance that such entities will not provide comparable services, expand their presence, solicit our employees or acquire interests in competing ventures in the locations or segments in which we operate. A conflict of interest may occur between our business and the business of such entity, which could have an adverse effect on our business, prospects, results of operations and financial condition.

***45. Our insurance policies may not be effective or adequate.***

While our IT systems, policies and procedures have proved to be adequate in the past, we cannot assure you that they will always be effective or that we will always be successful in monitoring or evaluating the compliance risks in the future, to which we are or may be exposed. Non-compliance with applicable regulations could lead to less number of customers using our products and services. Further, our business involves risks and hazards which may adversely affect our profitability, including failure of systems and employee frauds. We cannot assure you that the operation of our business will not be affected by any of the incidents and hazards listed above or by other factors.

We maintain insurance policies to cover our information and communication technology liability and director and officer liability insurance coverage. We believe that the insurance coverage which we maintain is in line with the industry standards and would be reasonably adequate to cover the normal risks associated with our business operations. However, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses, including coverage for claims by third parties and litigation. To the extent that we suffer a loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected. Further, our insurance coverage expires from time to time and we apply for the renewal of our insurance coverage in the normal course of our business. However, we cannot assure you that such renewals will be granted in a timely manner, at costs acceptable to us, or at all. For a detailed description of the insurance policies obtained by us including the assets covered under such insurance, see "*Our Business – Insurance*" on page 116.

***46. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.***

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- 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;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;

- prevailing regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India or its IT sector.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

***47. We do not own any of the properties from which we operate. If we are unable to renew our current leases or if we renew them on terms which are detrimental to our Company, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business, results of operations, cash flows and financial condition.***

We lease/license certain properties for our operations, including our registered office in Bengaluru and office space in Kolkata. As of June 30, 2018, we had a network of four offices (including two co-working offices) spread across four states in India that were on leased/ rented premises. There is no guarantee that these leases/licences will be renewed or extended once their term is complete. If we are unable to renew or extend our current leases/licenses, or if we renew or extend them on terms which are detrimental to us, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business, results of operations, cash flows and financial condition.

***48. Changes in laws and regulations related to the internet or changes in the Internet infrastructure itself may diminish the demand for our products, and could harm our business.***

The future success of our business depends upon the continued use of the Internet as a primary medium for commerce, communication, and business applications. Central and government bodies or agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the Internet as a commercial medium. Changes in these laws or regulations could require us to modify our products in order to comply with these changes. In addition, government agencies or private organizations have imposed and may impose additional taxes, fees, or other charges for accessing the Internet or commerce conducted via the Internet. These laws or charges could limit the growth of Internet-related commerce or communications generally, or result in reductions in the demand for Internet-based products such as ours. In addition, the use of the Internet as a business tool could be harmed due to delays in the development or adoption of new standards and protocols to handle increased demands of Internet activity, security, reliability, cost, ease-of-use, accessibility, and quality of service. The performance of the Internet and its acceptance as a business tool has been harmed by "viruses," "worms," and similar malicious programs and the Internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If the use of the Internet is adversely affected by these issues, demand for our products could decline.

***49. We will continue to be controlled by our Promoters and Promoter Group after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

As on the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group hold 78.03% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Issue, our Promoters and Promoter Group will continue to hold together [●]% of our post-Issue Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

***50. Grants of stock options under our proposed employee stock option plan may result in a charge to our profit and loss account and, to that extent, adversely affect our business, financial condition, results of operations and prospects.***

We propose to issue stock options under the ESOP 2018, subject to approval of the scheme by the shareholders. Under Ind AS, the grant of employee stock options results in a charge to our Company's profit and loss account equal to the difference between the fair value of our Equity Shares determined at the date of grant and the exercise price (which will amortize over the vesting period of these stock options). In addition to the effect on the profit and

loss account, the exercise of vested stock options will dilute the interests of shareholders (as in the case of any issuance of Equity Shares). For further information on ESOP 2018, see "*Capital Structure – 14. Employee Stock Option Plan*" on page 83.

***51. We are yet to receive or renew certain approvals or licenses required in the ordinary course of business, and the failure to obtain them in a timely manner or at all may adversely affect our operations.***

We are governed by various laws and regulations for our business and operations. We require certain approvals, licenses, registrations and permissions for operating our business, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. For information of specific licenses/ approvals/ registrations/ consents which have been applied for and are yet to be received, the ones that are pending renewal and which are required but not yet applied for, see *"Government and Other Approvals"* on page 307. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could adversely affect our related operations. Further, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. If we fail to obtain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected.

***52. Our Company could be an investment company under the U.S. Investment Company Act and as a result the transferability of the Equity Shares by purchasers in the United States or who are US persons is affected.***

Although we have undertaken a determinative analysis, we could be an "investment company" under the U.S. Investment Company Act. We are not registered under the U.S. Investment Company Act and exemptions from registration under the U.S. Investment Company Act may not be available to us. In connection with the placing of the Equity Shares with U.S. persons in this Issue, we are seeking to rely on the exclusion provided under Section 3(c)(7) of the U.S. Investment Company Act. If any Equity Shares are owned by or transferred to a U.S. person who is not a Qualified Purchaser, we may become subject to the requirement to register under the U.S. Investment Company Act. Failure to register under the U.S. Investment Company Act when required to so register may lead to fines, penalties, rescission rights for investors and other adverse consequences for us. We have elected to impose certain additional restrictions on the U.S. Offering and on transferability of the Equity Shares.

***53. The premises where our Company proposes to open new development centres as stated in the Objects of the Issue, will be on leave and license and/or lease basis. Disruption of our rights as a lessee/ licensee could adversely affect our results of operations.***

We intend to continue growing our existing technological capabilities and expanding our domain expertise by identifying sectors with high-growth potential and recruiting industry experts in such sectors who can add value to our products and solutions and help us gain credibility in the market. Therefore, we intend to open development centres in Kolkata and Hyderabad. We are in the process of identifying a new office spaces on lease hold or rental basis admeasuring approximately 5,550 square feet at Kolkata and office space admeasuring approximately 6,125 square feet at Hyderabad. For further information, see "*Objects of the Issue*" on page 86. As we expand our operations and establish development centres, we will be exposed to various challenges, including those relating to identification of suitable locations for our new development centres, obtaining land or leases for centres. There can be no assurance that our Company will be able to successfully enter into leave and license or lease agreements for abovementioned development centres on a commercially acceptable terms in a timely manner or at all. If we are unable to identify and obtain suitable or alternate locations for our development centres on terms commercially beneficial to us, it may adversely affect our expansion and growth plans and thereby adversely affect our results of operations.

***54. One of our Directors is involved in certain tax proceedings, which, if determined adversely, may affect our reputation, business and financial condition.***

In the ordinary course of business our Chairman and Independent Director, Tushar Trivedi is involved in certain tax proceedings that are pending varying levels of adjudication before income tax department. The summary of outstanding matters set forth below:

| Particulars | No. of matters | Total amount involved (₹) |
|---|---|---|
| ***Litigation involving our Directors*** | | |
| Tax Proceedings | 4 | 42,790 |

We cannot assure you that any of the outstanding litigation matters will be settled in favour of our Directors, or that no additional liability will arise out of these proceedings.

For further information on litigation involving our Chairman and Independent Director, see "*Outstanding Litigation and Material Developments*" on page 303.

***55. We have not identified any alternate source of financing the 'Objects of the Issue'. If we fail to mobilize resources as per our plans, our growth plans may be affected.***

We have not identified any alternate source of funding and hence any failure or delay on our part to raise funds from the Issue or any shortfall in the Issue Proceeds may delay the implementation schedule of our Objects of the Issue and could adversely affect our growth plans. For further information, see "*Objects of the Issue*" on page 86.

**External Risk Factors**

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

The annual rate of inflation was at 5.09% (provisional) for the month of July 2018 (over July 2017) as compared to 5.77% (provisional) for the previous month and 1.88% during the corresponding month of 2017. (*Source: Index Numbers of Wholesale Price in India, Review for the month of July 2018, published on August 14, 2018 by Government of India, Ministry of Commerce and Industry*) Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our payers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

***57. Most of our revenue is derived from business in India and a decline in economic growth or political instability or changes in the Government in India could adversely affect our business.***

We derive most of our revenue from our operations in India and so the performance and the growth of our business are dependent on the performance of the Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. 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 adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, the market price and liquidity of the Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

***58. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

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

***59. Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Recently, the currencies of a few Asian countries including India suffered depreciation against the US Dollar owing to amongst other, the announcement by the US government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, future financial performance and the prices of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Since September 2008, liquidity and credit concerns and volatility in the global credit and financial markets increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major US and European financial institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

***60. Any adverse revision to India's debt rating by a domestic or international rating agency could adversely affect our business.***

India's sovereign debt rating could be adversely affected due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Presently, India's sovereign rating is Baa2 with a "stable" outlook (Moody's), BBB- with a "stable" outlook (Standard & Poor), and BBB- with a "stable" outlook (Fitch Ratings). Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

***61. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. 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 market price of the Equity Shares.

***62. There may be less information available about the companies listed on the Indian securities markets compared with information that would be available if we were listed on securities markets in certain other countries.***

There may be differences between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in India and that in the markets in the United States and certain other countries. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may, however, be less publicly available information about companies listed on an Indian stock exchange compared with information that would be available if that company was listed on a securities market in certain other countries.

***63. Our growth is dependent on the Indian economy.***

Our performance and the speed of growth of our business are necessarily dependant on the health of the overall Indian economy. India's economy could be adversely affected by a general rise in interest rates, adverse conditions affecting agriculture, commodity and electricity prices or various other factors. If the current slowdown in the Indian economy continues it could adversely affect our business including our ability to implement our business strategy and increase our participation in the infrastructure and property development sectors. The Indian economy is currently in a state of transition and it is difficult to gauge the impact of certain fundamental economic changes on our business. The continued downturn in the macroeconomic environment in India or in specific sectors will adversely affect the price of our shares and our business and financial performance.

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

Our Articles of Association and Indian law govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a bank or corporate entity in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as one of our shareholders than as a shareholder of a bank or corporate entity in another jurisdiction.

***65. Our business and activities may be further regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.***

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the "**CCI**"). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls the production, supply or distribution of goods and services, or shares the market or source of production or providing of services by way of allocation of geographical area or type of goods or services or number of customers in the relevant market or in any other similar way, is presumed to have an appreciable adverse effect on competition and shall be void. Further, the Competition Act prohibits the abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees,

are penalized under the Competition Act, our business may be adversely affected. Further, the Competition Act also regulates combinations and requires approval of the CCI for effecting any acquisition of shares, voting rights, assets or control or mergers or amalgamations above the prescribed asset and turnover based thresholds.

On March 4, 2011, the Government of India notified and brought into force new provisions under the Competition Act in relation to combined entities (the "Combination Regulation Provisions"), which came into effect from June 1, 2011. The Combination Regulation Provisions require that any acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, must be notified to and pre-approved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (which were further amended on March 28, 2014). These regulations, as amended, set out the mechanism for the implementation of the Combination Regulation Provisions under the Competition Act.

It is difficult to predict the impact of the Competition Act on our growth and expansion strategies in the future. If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act or any enforcement proceedings initiated by the CCI or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, it may adversely affect our business, financial condition and results of operations. Any actual, pending, contemplated or threatened proceedings, investigations, actions, claims or suits against us, our subsidiaries and directors, whether meritorious or not, could be time consuming and costly, require significant amounts of management time and result in the diversion of significant operational resources.

***66. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.***

The goods and service tax ("GST") that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments.

As regards the General Anti-Avoidance Rules ("GAAR"), the provisions of Chapter X-A (sections 95 to 102) of the Income Tax Act, 1961, are applicable from assessment year 2019 (Fiscal 2018) onwards. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

***67. Investors in Equity Shares may be unable to enforce a judgment of a foreign court against us.***

Our Company is a limited liability company incorporated under the laws of India. All of our Directors and our Key Management Personnel are residents of India. All of our Company's assets and the assets of our Directors are located in India. Decrees in India whether domestic or foreign have to be enforced under the provisions of the CPC and recognition and enforcement of foreign judgments has been laid down under Section 13 of the CPC. Additionally, upon the production of a certified copy of the foreign judgment, an Indian court presumes that the judgment was pronounced by a competent court of jurisdiction unless contrary proved. India is not a party to any international treaty with respect to enforcement of foreign judgments. Under Section 44A, judgments from courts in reciprocating countries can be enforced directly in India. The CPC only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties and does not include arbitration awards. Thus, in the event of a judgment being passed from a non- reciprocating country against our Company for civil liability, it would not be enforceable in India and it would be required to institute new proceedings in India and obtain a decree from an Indian court. Based on the final judgment obtained from a non-reciprocating country, a fresh suit can be initiated within three years of obtaining such final judgment. The United

States for instance has not been declared as a reciprocating territory for the purposes of the CPC and thus a judgement of a court outside India may be enforced in India only by a suit and not by proceedings in execution.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which include the United Kingdom, Singapore and Hong Kong. For a judgement from a jurisdiction with reciprocity to be enforceable, it must meet the requirements as laid down in the CPC. If the Indian court believes that the amount of damages awarded was excessive or inconsistent with public policy in India, it is unlikely that an Indian court would award damages on the same basis, or to the same extent, as was awarded in a final judgement rendered by a court in another jurisdiction. In addition, any person seeking to enforce a foreign judgement in India is required to obtain prior approval of the RBI, to repatriate any amount recovered pursuant to the execution of the judgement.

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

As we are not a listed company, we have not been subject to the increased scrutiny by shareholders, regulators and the public as is associated with a listed company. Pursuant to listing, our Company 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 provisions of the SEBI Listing Regulations and the listing agreements to be executed with the stock exchanges, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. In the event of experiencing any delays, we may fail to satisfy our reporting obligations, we may not be able to readily determine and accordingly may not be able to report any changes in our results of operations as promptly as other listed companies. We may also be subject to penalties for such delays and non-compliances. In order to ensure the improvement in procedures for internal control over financial reporting and effective disclosure control, attention will be required. As a result, our management's attention may be diverted from other business concerns which would impact our business and operations.

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

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation 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 Issue Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

***70. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the provisions of the SEBI ICDR Regulations and other regulations and guidelines prescribed by SEBI, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares Bid for or the price) at any stage after submitting a Bid and are required to pay the Bid Amount at the time of submission of the Bid.

Events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition, may arise between the date of submission of the Bid by QIBs and Non - Institutional Investors and Allotment of the Equity Shares. Our Company may choose to complete the Allotment of the Equity Shares pursuant to the Issue despite the occurrence of one or more such events, and QIBs and Non - Institutional Investors would not be able to withdraw or lower their Bids in such or any other situation, once they have submitted their Bid.

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

Under the Income Tax Act, 1961, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India except any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of shares on a stock exchange held for a period of 12 months or less will be subject to short term capital gains tax. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. Further, in accordance with the Finance Act, 2018, which has been notified with effect from April 1, 2018, the exemption on long term capital gains tax has been withdrawn and such tax has become payable in the hands of the investors. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

***72. You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Issue.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to the 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 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 Issue 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 commence 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.

***73. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our Selling Shareholders or Promoters or significant shareholders may adversely affect the trading price of the Equity Shares.***

After the completion of the Issue, our Promoters and significant shareholders will own, directly and indirectly, approximately [●]% of our outstanding Equity Shares. Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us may dilute your shareholding in the Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, our significant shareholders may dispose of, sell or otherwise transfer a part or whole of their shareholding in our Company. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares or that our shareholders will not dispose of, sell or otherwise transfer Equity Shares held by them.

***74. You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.***

Under the Companies Act, a company incorporated in India must offer its shareholders pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by adoption of a special resolution by

holders of three-fourths of the shares who have voted on the resolution, or unless the company has obtained approval from the Government of India to issue without such special resolution, subject to votes being cast in favour of the proposal exceeding the votes cast against such proposal. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without our Company filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless our Company makes such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in our Company would be reduced.

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

The Issue 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 Issue Price*" on page 94 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

***76. The market value of the Equity Shares may fluctuate due to the volatility of the Indian securities markets.***

Indian securities markets may be more volatile than and not comparable to, the securities markets in certain countries with more developed economies and capital markets than India. Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. Indian stock exchanges (including the BSE and the NSE) have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, from time to time, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have a negative effect on market sentiment.

***77. 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 applicable pricing guidelines and reporting requirements specified under the FEMA Regulations. However, under certain circumstances, prior approval of the RBI or the Government of India is required if such transfer of shares does not meet the requirements specified under the FEMA Regulations. In addition, non-resident shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax-clearance certificate from the income tax authorities in India. Where approval from the RBI or any other government agency is required, such approval may not be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

***78. Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares***

The U.S. "Foreign Account Tax Compliance Act" (or "FATCA") imposes a new reporting regime and, potentially, a 30.00% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent

payments on the Equity Shares would be considered foreign passthru payments. Withholding on foreign passthru payments would not be required with respect to payments made before January 1, 2019. The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as foreign passthru payments. Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

***79. U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.***

A foreign corporation will be treated as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes for any taxable year in which either: (i) at least 75% of its gross income is "passive income" or (ii) at least 50% of its gross assets during the taxable year (based on of the quarterly values of the assets during a taxable year) are "passive assets," which generally means that they produce passive income or are held for the production of passive income.

Our Company believes it was likely a PFIC for the taxable year ending March 31, 2018, and likely will be a PFIC for the current year and future years. However, no assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination whether or not our Company is a PFIC is a factual determination that is made annually based on the types of income we earn and the value of our assets. Further, our PFIC status may also depend on the market price of the Equity Shares, which may fluctuate considerably. Assuming our Company is considered a PFIC, U.S. holders of Equity Shares would be subject to special rules and a variety of potentially adverse tax consequences under the U.S. Internal Revenue Code of 1986, as amended.

**Prominent Notes:**

1. Initial public offering of [●] equity shares of face value of ₹ 10 each, of our Company, for cash at an Issue Price of ₹ [●] per equity share (including share premium of ₹ [●] per equity share) aggregating up to ₹ 230,000 thousand. The Issue shall constitute up to [●] % of the post – Issue paid – up Equity Share capital of our Company.

2. As of March 31, 2018, our net worth was ₹ 190,960.03 thousand as per the Restated Consolidated Financial Information. As of March 31, 2018, our Company's net worth was ₹ 190,979.03 thousand as per the Restated Standalone Financial Information.

3. As of March 31, 2018, the net asset value per Equity Share was ₹ 29.30, as per the Restated Consolidated Financial Information, and ₹ 29.30 as per the Restated Standalone Financial Information.

4. The average cost of acquisition per share by our Promoters, calculated by taking the average of the amounts paid by our Promoters to acquire Equity Shares, is as given below.

| Name of Promoter | Average cost of acquisition per Equity Share* |
|---|---|
| Sandipan Chattopadhyay | ₹ 6.93 |
| Srinivas Koora | ₹ 6.84 |
| Jaison Jose | ₹ 20.80 |

** As certified by JHS & Associates LLP, Chartered Accountants, pursuant to certificate dated August 24, 2018.*

For details, see "*Capital Structure – History of build-up, Promoter's contribution and lock-in of Promoter's shareholding*" on page 75. The average cost of acquisition per Equity Share by our Promoters has been calculated by taking the average of the amounts paid by our Promoters to acquire the Equity Shares.

5. During the period commencing from six months immediately preceding the date of filing of the Draft Red Herring Prospectus, no financing arrangements existed pursuant to which our Promoters, Promoter Group,

Directors, or their relatives have financed the purchase of Equity Shares by any other person other than in the normal course of business of the financing entity.

6. There have been no changes to the main objects since incorporation of our Company. Our Company was incorporated as '*Xelpmoc Design and Tech Private Limited*', a private limited company, under the Companies Act, 2013 on September 16, 2015 at Bengaluru, Karnataka, India, and the Certificate of Incorporation was issued by the RoC. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on July 2, 2018 and the name of our Company was changed to '*Xelpmoc Design and Tech Limited*'. Consequently, a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the RoC on July 20, 2018. For details of change in the name and Registered Office of our Company, see "*History and Certain Corporate Matters*" on page 122.

7. For details of related party transactions since incorporation and, the nature of transactions and the cumulative value of transactions, see "*Related Party Transactions*" on page 148.

8. Any clarification or information relating to the Issue shall be made available by the BRLM and our Company to the investors at large, and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the BRLM or the Registrar to the Issue for any complaints pertaining to the Issue. For details of contact information of the BRLM and the Registrar to the Issue, see "*General Information*" on page 65.

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

## SECTION III – INTRODUCTION

## SUMMARY OF INDUSTRY

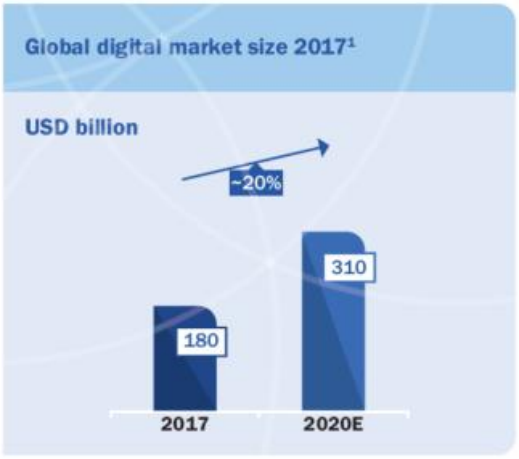
*Unless noted otherwise, the information in this section is obtained or extracted from "The IT-BPM Sector in India 2018 – Strategic Review" dated February 2018 (the "**Nasscom Report**") prepared and issued by National Association of Software and Service Companies ("**Nasscom**"). Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. 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.*

*Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Red Herring Prospectus, including the information in the section "Risk Factors" on page 16. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see the section "Risk Factors" on page 16.*

**Global Information Technology – Business Process Management (IT-BPM) Industry**

The global cyclical upswing that began midway through 2016 continues to gather strength. Business environment is going through fundamental shifts as financial conditions remain buoyant across the world. The positive developments give good cause for greater confidence and have begun creating a marked shift in the BPM market which has been driven by the increasing use of automation and digital transformation. Increased activity in 'high value services', analytics and redesign of existing processes drives spend and sourcing growth.

In 2017, the global IT-BPM industry stood at USD 1.3 trillion (excluding hardware) showing a growth of 4.3% over 2016. According to the Nasscom Report, information technology (IT) services grew a modest 2.4% driven by the continuous need for digital solutions. Business process management (BPM) saw greater implementations of robotic process automation. In addition, packaged software was the fastest growth segment with software as a service (SaaS) driving growth especially freight management systems, human capital management and analytics. The hardware segment grew 1.5% to cross USD 1 trillion. Global engineering research and development spend saw a decent 3.2% growth (as compared to previous two years which saw more or less flat growth). The push for autonomous vehicles and equipment, connectivity and smart products were key growth drivers. IT services are being driven by continued demand for digital solutions. The banking financial services and insurance and manufacturing sectors lead IT spend with a focus on digital transformation. Going forward, telecom, government, professional services are expected to up IT purchases.




*Source: Nasscom Report*
*1. Includes global sourced services spend (IT, BPM, and interactive for third parties and GICs)*

Global sourcing growth outperformed global IT-BPM spend growth in 2017, global sourcing grew 1.4X to reach USD 185-190 billion. India continued as the world's No.1 sourcing destination with a share of 55%. In 2017, 271 new global delivery centres were set up worldwide (by US headquartered firms) and India accounted for 24% share and Europe accounted for 29% share.

**India's IT-BPM Industry**

According to the Nasscom Report, India's IT-BPM industry is set to grow approximately 8% in FY2018, from USD 154 billion in FY2017 to USD 167 billion (excluding ecommerce), an addition of USD 12 billion.

India's IT-BPM industry is worth USD 167 billion, employing around 4 million people. With a 55% global market share, the Indian IT-BPM industry is estimated to grow 8% in FY 2018. Significant growth is expected both internationally and domestically. IT-BPM exports are expected to reach USD 126 billion, a 7.7% growth over FY 2017.

| | Up to 2000 | 2000-2010 | 2010-2016 | 2017 onwards |
|---|---|---|---|---|
| Revenue[1] (USD billion) | >8 | ~78 | 154 | 167 |
| Employees[1] (million) | 0.34 | 2.3 | 3.86 | 3.97 |
| No. of firms[1] | ~2,000 | 10,000-12,000 | >16,000 | ~17,000 |
| GDP share[1] | 1.8% | 6.1% | 7.7%[3] | 7.9%[3] |
| Exports[2] share | 10.5% | 26% | 49% | >45% |
| Global sourcing[1] share | – | 47% | 55% | 55% |
| Digital revenue | – | – | 14% | 18-20% |
| Value addition | • Standardisation, productivity improvement<br>• Non-critical functions<br>• Project-based<br>• Fixed cost, T&M | • End-to-end services<br>• Non-linear growth<br>• Strategic partnerships<br>• Pay-as-you-use | • Bimodal IT<br>• Platform solutions<br>• Product-as-a-service<br>• Data monetisation | • Industrialisation of digital<br>• Personalised experiences<br>• Intelligent products, services<br>• IoT, cognitive, blockchain<br>• Autonomous, electrification, connected, shared mobility<br>• New business models |
| | Collaboration | Value addition | Digital Business | DIGITAL @ SCALE |
| Revenue per employee (USD '000) | ~17 | ~30 | 40 | 42 |

*Source: Nasscom Report*
*1. Data given for FY2000, FY2010, FY2017, FY2018*
*2. Share in total services exports*
*3. World Bank has revised its base from 2005 to 2010; hence, the change in % share vis-à-vis previous years*

With changes in the global technology landscape, India's IT-BPM scenario is also changing to keep with the times. While the composition of players in terms on number of firms has not changed much, the profile of these firms is most certainly becoming digital. New startups set up are also digital first firms. Many of the old economy companies are making digital mainstream. Global in-house centres (GICs) in India, both existing and new centres, are increasingly being set-up as niche centres of excellence. Consequently, the portfolio of services being offered is shifting decisively towards digital offerings. New products, services and platforms are digital; traditional businesses are seeing digitisation, automation & accelerators, respectively. These trends are further substantiated by the rising share of digital revenue of the industry – from approximately 4% in 2014, companies are reporting anywhere between 18-20% share of revenue from digital services. This share is expected to further increase to 38% by 2025.

***IT-BPM Export Market***

In FY2018, IT-BPM exports from India are expected to reach USD 126 billion, a 7.7% growth over FY2017 and an addition of USD 9 billion. Engineering, research and development (ER&D) and product development continues to be the fastest growing segment at 12.8% driven by the demand for autonomous, electrification, connectivity and shared mobility. IT services continued to retain its share of 55%; BPM, 23% and ER&D and packaged software accounted for 22%. IT services is growing at approximately 6% driven by growth in software testing and infrastructure services outsourcing (hosted applications).

On an average, all regions expected to see growth of over 7.5%; however, continental Europe is the fastest growing at 8%. Between them, USA and Europe (including the UK) account for about 90% share of exports.

***IT-BPM Domestic Market***

Domestic IT-BPM industry is also seeing continued growth as various government initiatives encourage technology usage (push factor) and Indian enterprises across industries are rapidly implementing digital technologies to adapt to a changing competitive landscape and the ever-demanding customers:

*Government:* Technology adoption for its citizen and inter-departmental services through its e-Gov initiatives, Aadhar (for transparency), goods and services tax network (tax reform), internet infrastructure (wi-fi hotspots) and demonetisation (online payments).

*Enterprises*: Banks (mobile wallets / mobile banking for greater financial inclusion); digital marketing for customer engagement; online payment platforms (utilities); big data analytics (fast-moving consumer goods, media and entertainment); automotive (Bharat Stage IV/VI models, electric vehicles / autonomous/connected vehicles).

*Smart projects*: Smart cities, transportation, utilities, buildings, etc. driving demand for Internet of Things, analytics and green-tech.

*Consumers*: India is a growing internet (2016 market size: USD 100-130 billion) and app (2016: USD 21 billion) economy. India is the world's 2nd largest in terms of number app downloads (11+ billion in 2017, a 215% growth over 2016. Internet subscribers stood at approximately 465 million in 2017.

**Start-up Ecosystem in India**

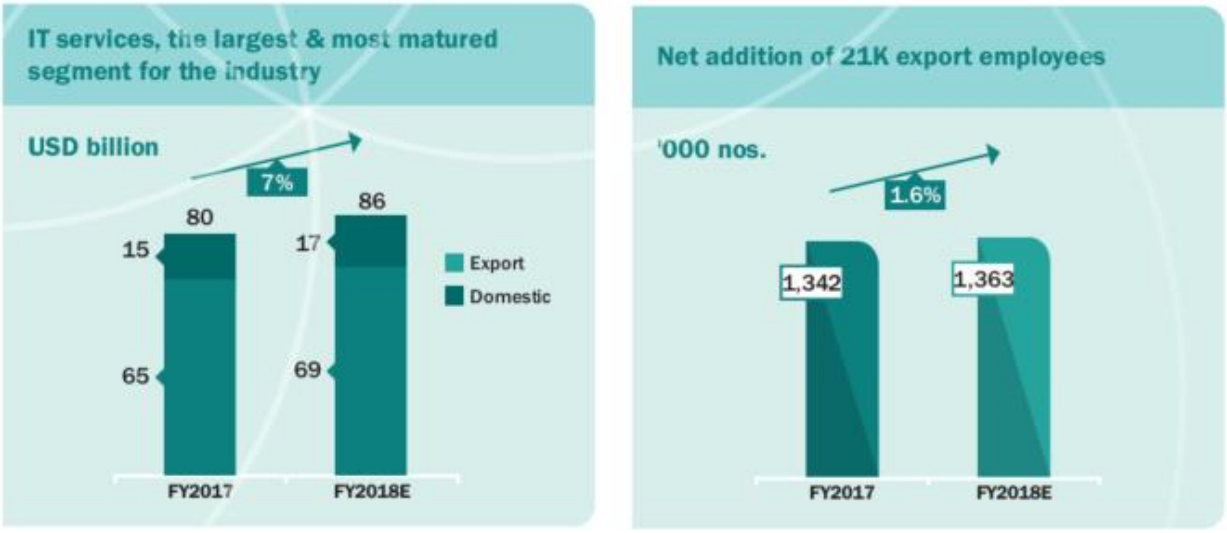
India continues to be the world's 3rd largest startup ecosystem with over 5,000 startups in 2017 and growing at 7% in the last year. While Bangalore, National Capital Region and Mumbai are the leading startup locations, Tier II and III cities are emerging hubs and today, they are home to 20% of all start-ups in India.

Business-to-consumer start-ups continue to garner higher funding and valuations; business-to-business (B2B) start-ups have lower mortality rate and constituted 47% of new start-ups in 2017. Fintech and health-tech are the largest and fastest growing segments among B2B start-ups. Over 700 start-ups are currently focusing on advanced technologies (artificial intelligence, analytics and blockchain) and have grown 30% in the last five years. Over 300 start-ups are actively solving India specific challenges in healthcare, education, financial inclusion, clean energy and agriculture.

Overall, the Indian start-up ecosystem seems to have come of age and embraced the shift from quantity to quality and poised to capture growth opportunities from increased consumer demand, connected ecosystems and ever growing government push.

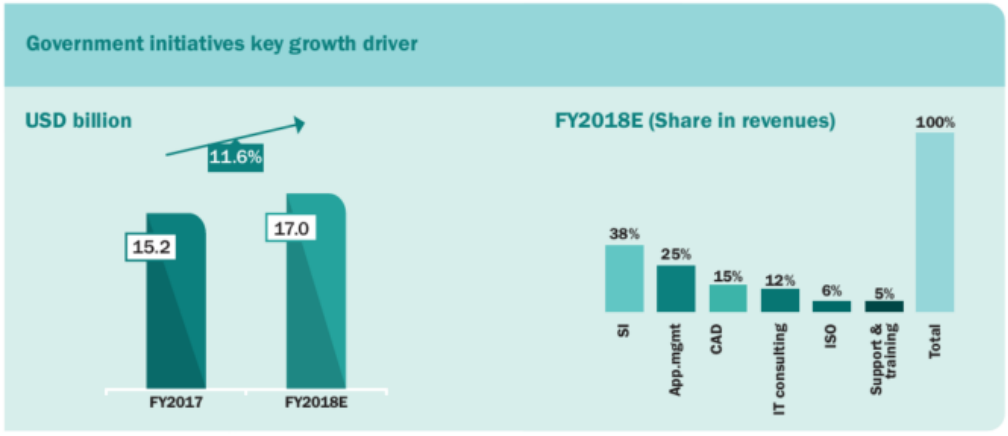
**Indian IT Services**

The IT services sector in India is expected to touch revenues worth USD 86 billion in FY2018, with a growth rate of nearly 7% over FY2017. Of the total Indian IT services market in FY2018, contribution of the exports revenue is 80%, while the remaining 20% is attributed to domestic clients. IT services exports segment has added over 20,000 employees in FY2018, at a growth rate of 1.6% over the previous year. The IT services employee base accounts for 34% of the total IT-BPM employee base.




*Source: Nasscom Report*

Domestic IT services grew by 11.6% to reach USD 17 billion driven by infrastructure services outsourcing, cloud services and increasing adoption from all customer segments – government, enterprise, consumers and small and medium businesses. The governments' digital India and e-governance agenda has given a fill-up to the domestic sector in an enormous way.




*Source: Nasscom Report*

**India as a Digital Economy**

India is on track to be a trillion dollar digital economy backed by government's inclusive approach and private sector participation. Growing access to internet in both urban as well as rural areas, ambitions e-governance projects, continued focus on skill development and growing digital transactions are just some of the indicators of rapid growth of the India's digital economy.

Most Indian enterprises are in early phases of digital transformation (DX) with wide variations across the board.

Rising customer expectation and unlocking new revenue streams are the top two drivers for enterprise digital transformation in India. Understanding customer and creating efficient operational processes key to create a differentiated customer experience and being able to go-to-market faster than competition.

***Infrastructure***

Through digital infrastructure, the government aims to provide better quality of life, a sustainable environment, and 'smart' IT solutions to citizens by building 100 Smart cities, creating opportunities for start-ups and SMEs with

focus on providing internet and various technological applications. The internet economy is expected to contribute 7.5% to India's GDP by 2020, up from 5% in 2016. Access to internet is growing due to falling data tariffs and increased competition. India is the fourth-largest app economy, globally and ranked 2nd by the number of downloads. The government announced nine additional smart cities in January 2018.

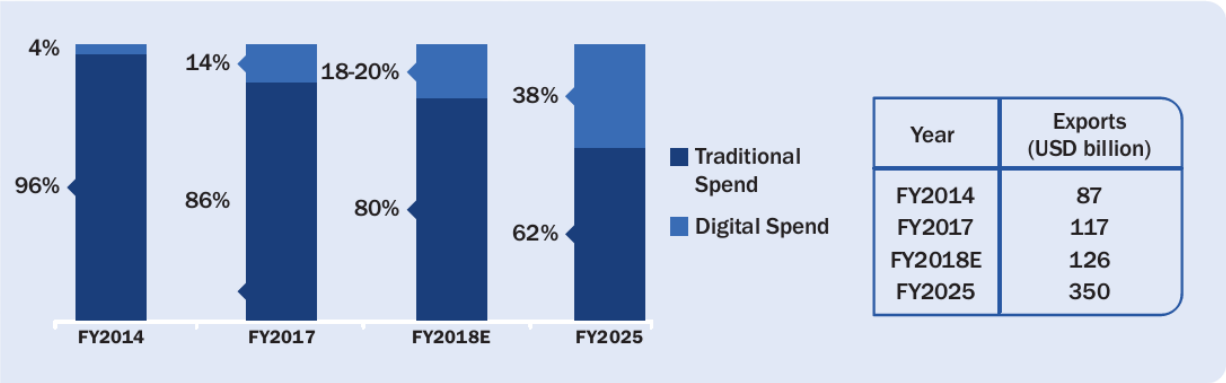
***Key Takeaways***

Growing internet access is boosting India's internet economy, and is expected to contribute 7.5% to India's GDP by 2020. Most of the government spending is focused on building digital infrastructure (network, devices, data storage and data protocol) necessary for the functioning of the internet economy. The government's drive to push India's internet economy is expected to gain momentum as the government is opening the doors for public–private partnerships. However, cyber security issues due to substantial data generated, IoT security, Smart Cities security and cloud security are likely to be major challenges.

For IT companies, rising cyber security concerns will create opportunities for cyber security companies. Growing demand for big data and analytics services as the country becomes data rich. Increasing focus on open source software is likely to promote public-private partnerships. For SMEs/start-ups, falling digital infrastructure cost will attract more start-ups to enter the market. The government is likely to develop policies and standards for cloud data and cyber security and focus on public-private partnerships for skills acquisition and faster completion of allocated work.

**India as a Digital Solutions Partner**

Indian providers' contribution to digital has been consistently growing faster than global growth rate of enterprise digital spend. India also has one of the largest population of digitally trained workforce. Almost 75% of global digital talent is based in India. Indian IT-BPM firms have been reporting 18-20% share of digital revenue in total.




| Year | Exports (USD billion) |
|---|---|
| FY2014 | 87 |
| FY2017 | 117 |
| FY2018E | 126 |
| FY2025 | 350 |

*Source: Nasscom Report*

Demand for digital services is also picking up in the APAC region and enterprises are leveraging digital technologies for enhancing customer experience, improving back-office and mid-office efficiency, and for channel transformation.

Providers with investments in the three processes listed below have collectively resulted in improved outcomes for clients:

***People & Processes***

Rapidly expanding talent pool for digital services, with 450,000-500,000 full-time employees. Providers are actively investing in India-based talent to deliver digital engagements to clients globally and setting up innovation labs and design centers to further digital processes and operation.

***Technology***

India has become a hotbed for innovation and providers are investing in digital IP, solutions, and centres of excellence.

***Ecosystems***

Providers are investing in strategic partnerships and mergers and acquisitions to acquire next-gen digital capabilities and niche digital talent.

## SUMMARY OF 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. Bidders should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, Bidders should read this entire Draft Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Forward-Looking Statements" on page 14 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 16, 150 and 280, 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.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year, except that references to Fiscal 2016 are to the period commencing from September 16, 2015, i.e., the date when our Company was incorporated, to March 31, 2016.*

*Until Fiscal 2016, our Company did not have any subsidiaries, associates and joint ventures, and no consolidated financial statements were prepared. In Fiscal 2017 and Fiscal 2018 we carried out certain investments and such investee entities have been considered for the purpose of preparing our Restated Consolidated Financial Statements for the relevant fiscal years in accordance with Ind AS 110. For further information, see "Management's Discussion and Analysis of Financial Statements – Presentation of Financial Information and Investments" on page 280. Accordingly, our Restated Consolidated Financial Statements relating to such fiscal periods are not comparable to each other.*

*In this Draft Red Herring Prospectus, we have not included any pro forma profit and loss statement or balance sheet statement, as applicable, prepared in accordance with the laws and regulations of the United States, India or any other jurisdiction, which would have shown the effect of such investments completed in Fiscal 2017, Fiscal 2018 or that completed subsequent to March 31, 2018 on our historical results of operations and financial condition.*

*Unless the context otherwise requires, in this section, references to "we", "us", "our", or "Company" refers to Xelpmoc Design & Tech Limited on a standalone basis in Fiscal 2016 and on a consolidated basis in Fiscal 2017 and Fiscal 2018.*

### Overview

We are a provider of professional and technical consulting services, offering technology services and end-to-end technology solutions and support. Our clients range from entrepreneurs and start-up enterprises to established companies, engaged in e-commerce, transportation and logistics, recruitment, financial services, social networking, and various other industries. We provide a wide range of services, including, mobile and web application development, prototype development, thematic product development and data science and analytics assistance. We grow our portfolio of services and products as the needs of our clients evolve.

We commenced operations in Bengaluru, India, in 2015 and have since serviced enterprises across four states in India. Our business operations may broadly be categorized as technology services, and technology solutions/ products. We also occasionally provide business support to some of our clients to enable them to set-up their operations. We believe we are among the few technology service providers with accessibility to domain experts. We benefit from the expertise and experience of our Promoters and senior management in a range of sectors including financial services, retail, media and entertainment, and business services. We also carry out our operations through our joint venture and associate. For further information, see "*History and Certain Corporate Matters*" on page 122.

Our Company is promoted by Sandipan Chattopadhyay, who has around two decades of experience in the information technology industry, Srinivas Koora, who has over 16 years of experience in the field of accounts and finance and is primarily responsible for devising the strategy for our Company, and Jaison Jose who has been instrumental for the implementation of operational plans, operation strategies, budgets and forecasts at the corporate, regional and business unit level.

In Fiscal 2016, 2017 and 2018 our total income was ₹ 208.33 thousand, ₹ 19,235.47 thousand and ₹ 49,310.38 thousand, respectively. In addition, our EBITDA was ₹ (16,422.88) thousand, ₹ (27,540.99) thousand and ₹ (34,491.92) thousand in Fiscal 2016, 2017 and 2018, with EBITDA margins of 7,882.99%, 143.18% and 69.95%, respectively. Our net worth was ₹ 29,137.37 thousand, ₹ 132,130.96 thousand and ₹ 190,960.03 thousand as of March 31, 2016, 2017 and 2018, respectively.

**Our Competitive Strengths**

***End-to-end solutions and support***

Our range of end-to-end technology-based products, services and solutions comprises technology products and systems, integration solutions and infrastructure management services. We have, since incorporation, expanded our offerings to include data science capabilities, query optimization and rapid iteration services. We focus on updating our service offerings to meet the evolving needs of our clients. With the launch of our technology products vertical, we have further strengthened our offerings in the solution space. We also provide services to certain government organizations, including services to enhance and upgrade technology applications and infrastructure requirements. We also offer a range of services to entrepreneurs to support their ventures. These offerings enable newly incorporated companies to scale up their business with minimum internal resource consumption. We believe our range of products, services and solutions enables us to broaden our offerings for potential clients, deepen our relationships with existing clients and diversify our revenue base.

***Accessibility to domain experts***

We believe we are among the few technology service providers with accessibility to domain experts. We benefit from the expertise and experience of our founders/ senior management in a range of sectors including financial services, retail, media and entertainment, and business services. This provides us with the benefit of strong domain experience and understanding of businesses that operate in these verticals, which assists us in developing and delivering services and solutions that benefit our clients in these verticals. We believe this is our key strength and forms the core of our business model.

This is supplemented by the knowledge sharing of subject matter experts from across industries. As of June 30, 2018, we have developed a network of four independent experts that are engaged with us as consultants for these industries, to facilitate the development of solutions driven by business context and domain knowledge. Through our domain experts, we are able to guide our clients on the need for certain types of technology and data driven services for their businesses, along with our ability to provide such services. We believe we are able to capitalize on strategic opportunities due to our access to domain and industry knowledge.

***Organization structure that enhances client service***

Our business is structured based on service offerings. This enables clients to access the entire platform of services we offer along with professionals within those service verticals, regardless of the location of the project. We focus on building relationship-based interactions between our key employees and our clients, to promote long-term client relationships. In addition, we believe our vertical structure encourages entrepreneurialism among our professionals. Our integrated platform of services also allows us to contain development and maintenance costs for our clients as we are able to leverage on our shared expertise and resources to provide multiple services to each client. We believe we have built a strong domain orientation across our business verticals in the way we approach our clients with solutions to their business objectives and the way we deliver services to them.

***Experienced management and entrepreneurial culture***

We have an experienced management team with four members of our senior management having worked at senior management levels in established companies across various industries. Our Company is promoted by Sandipan Chattopadhyay, Srinivas Koora and Jaison Jose. Sandipan Chattopadhyay holds a degree of Bachelor of Statistics (Honors) from the Indian Statistical Institute, Calcutta and a Post Graduate Diploma in Computer Aided Management from the Indian Institute of Management, Kolkata. He has around two decades of experience in the information technology industry. Srinivas Koora holds a degree of Bachelor of Commerce from the Osmania University. He also holds a degree of Master of Business Administration from Swami Ramanand Teerth Marathwada University, Nanded. He is primarily responsible for all aspects of finance, investor relations, fund

raising, controlling, accounting, financial reporting, tax compliance, financial systems implementation, and devising the strategy for our Company. He has more than 16 years of experience in the field of accounts and finance. Jaison Jose holds a degree of Master of Commerce (External) as well as a degree of Master of Marketing Management from Mumbai University. He is primarily responsible for the implementation of operational plans, operation strategies, budgets and forecasts at the corporate, regional and business unit level.

We believe that our senior management has pioneered our growth and fostered a culture of innovation, entrepreneurship and teamwork within our organization. We have also developed programs for identifying and developing future leadership. In addition, we endeavor to deliver quality service through our network of independent experts that are engaged with us as consultants on a part-time basis.

**Strategies**

***Grow our business by enhancing our technological capabilities and expanding our domain expertise***

We have consistently increased our technological capabilities and expanded our domain expertise. Most recently, we have added capabilities including artificial intelligence, deep learning and data science. We intend to continue growing our existing technological capabilities and expanding our domain expertise by identifying sectors with growth potential and recruiting industry experts in such sectors who can add value to our products and solutions and help us gain credibility in the market.

***Expand our operations in other geographies***

We intend to leverage our existing business model in India to enter newer geographies such as Middle East and North Africa (MENA), Australia, United Kingdom, Asia Pacific and the United States. We intend to expand the volume of business from clients with a global presence by moving from being a services provider to an integrated enterprise-wide solutions provider. In particular, we have identified a need in developed markets, for support of enterprise level data and applications, and for decision support at the management level. In the MENA regions, we believe that our solutions designed for start-up enterprises for scaling up operations, as well as our technical and domain expertise, positions us strongly to take advantage of opportunities in these markets, and in the United States, we propose to tap into the market for technology solutions by implementing enterprise-level services. In addition, we propose to achieve our broad strategy of expanding our operations beyond India, by cross-selling add-on solutions to our base of existing clients with a global presence. We are also in the process of setting-up offices in other parts of India in order to be accessible to clients within and around these regions.

***Cross-sell and up-sell to our existing client base***

As of June 30, 2018, we serviced a client base of over 23 clients across four states in India. Repeat business and proposing new services and products to our existing clients constitutes an important revenue opportunity for us. As we add new offerings to our portfolio of products and services, we will seek to cross-sell and up-sell opportunities to our existing client base in order to further grow our operations.

***Continue to focus on public sector clients while building private sector client base***

We generate revenue from providing services to certain government organizations as well as private companies. We believe we are well positioned to address the challenges presented by the aging technology infrastructure present across public sector organizations, and aim to leverage our industry experience and knowledge to further develop this client base. We also propose to continue developing our business among companies engaged in the private sector. We seek to obtain additional clients in the private sector which typically experiences greater growth during times of economic expansion, by networking and monitoring private project databases.

***Strengthen and support our human capital***

Our experienced employees and management team are our most valuable resources. Attracting, training, and retaining key personnel has been and will remain critical to our success. To achieve our human capital goals, we intend to remain focused on providing our personnel with entrepreneurial opportunities to expand our business

within their areas of expertise. We will also continue to provide our personnel with personal and professional growth opportunities, including additional training and performance-based incentives such as opportunities for stock ownership.

***Evaluate strategic acquisition and alliance opportunities***

We intend to continue to explore and evaluate strategic acquisition and technology alliance opportunities to gain access to track record, add new technologies for our solutions, target new industry sectors and clients as well as drive synergies with our existing business ventures. In particular, we propose to adopt a multi-pronged approach to grow our business in emerging economies where although data awareness is gaining momentum, there is limited knowledge on the potential of digitization and the manner in which it can be achieved. We believe that standardized data services offered by established technology companies do not completely address these challenges for niche and nascent companies that require a customized approach, and concerns around the growing data privacy regimes discourage technology consultancy firms from engaging with smaller companies. We propose to target such companies and intend to achieve this by entering into strategic long term engagements through open technology stack, third party analytics integrations, providing system customization expertise and advisory services, empaneling data vendors and providing different services to clients at different levels of data-readiness in their respective businesses. Through our domain experts, we also aim to guide businesses on the potential of investing in data. We aim to strengthen our platform for exchange of industrial and academic knowledge by engaging in specialized projects and onboarding domain specialists. We believe this will help improve scalability of the businesses we associate with. We intend to evaluate potential opportunities and adopt a combination of technologies to appropriately service client requirements, with the aim to create a comprehensive data lake with the ability to support data in any form and process a range of requirements in a scalable manner.

## SUMMARY OF FINANCIAL INFORMATION

**Restated Consolidated Summary Statement of Assets and Liabilities**

*(₹ in '000)*

| | | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|---|
| **I.** | **ASSETS** | | |
| | **Non-current Assets** | | |
| | (a) Property, Plant and Equipment | 3,089.55 | 882.41 |
| | (b) Financial Assets | | |
| | (i) Investments in joint ventures & associates | 1,511.00 | - |
| | (ii) Other Investments | 189,967.93 | 174,101.22 |
| | (iii) Loans | 4,692.12 | 4,000.00 |
| | (iv) Others | 1,066.67 | - |
| | (c) Non-Current Tax Assets (Net) | 5,528.69 | 347.81 |
| | **Total Non Current Assets** | **205,855.96** | **179,331.43** |
| | | | |
| | **Current assets** | | |
| | (a) Financial Assets | | |
| | (i) Trade receivables | 15,917.40 | 4,688.63 |
| | (ii) Cash and cash equivalents | 21,712.95 | 2,070.89 |
| | (iii) Others | 2,294.89 | 341.12 |
| | (b) Other current assets | 261.42 | 775.86 |
| | | | |
| | | 40,186.66 | 7,876.50 |
| | | | |
| | **Total Current Assets** | **40,186.66** | **7,876.50** |
| | | | |
| | **TOTAL ASSETS** | **246,042.65** | **187,207.82** |
| | | | |
| **II.** | **EQUITY AND LIABILITIES** | | |
| | **1. Equity** | | |
| | (a) Equity Share capital | 65,171.32 | 48,749.98 |
| | (b) Other Equity | 125,788.71 | 83,380.98 |
| | **Total Equity** | **190,960.03** | **132,130.96** |
| | | | |
| | **2. Liabilities** | | |
| | **Non-current liabilities** | | |
| | (a) Provisions | 1,614.29 | 318.96 |
| | (b) Deferred tax liabilities (Net) | 44,776.81 | 45,271.52 |
| | **Total Non Current Liabilities** | **46,391.11** | **45,590.48** |
| | | | |
| | **Current liabilities** | | |
| | (a) Financial liabilities | | |
| | (i) Trade payables | 752.20 | 752.27 |
| | (ii) Other financial liabilities | 5,275.47 | 8,434.92 |
| | (b) Other current liabilities | 2,606.23 | 299.19 |
| | (c) Provisions | 57.62 | - |
| | **Total Current Liabilities** | **8,691.52** | **9,486.38** |
| | | | |
| | **TOTAL EQUITY AND LIABILITIES** | **246,042.65** | **187,207.82** |

**Restated Consolidated Summary Statement of Profit and Loss**

*(₹ in '000)*

| | | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|---|
| **Revenue** | | | |
| **I.** | Revenue from Operations | 48,700.34 | 18,838.96 |
| **II.** | Other Income | 610.04 | 396.51 |
| **III.** | **Total Income (I+II)** | **49,310.38** | **19,235.47** |
| | | | |
| **IV.** | **Expenses** | | |
| | Employee Benefits Expenses | 36,512.90 | 31,673.03 |
| | Finance Costs | 34.94 | 54.31 |
| | Depreciation and Amortization Expense | 729.69 | 909.28 |
| | Other Expenses | 47,620.40 | 15,078.44 |
| | **Total Expenses** | **84,897.92** | **47,715.05** |
| | | | |
| **V.** | **Profit Before Share of Net profit of Associates and Joint Ventures accounted using Equity method and Tax** | **(35,587.54)** | **(28,479.58)** |
| | **Share of Net Profit of Associates and Joint Ventures accounted using Equity method** | **331.00** | **(25.00)** |
| **VI.** | **Profit Before Tax (III-IV)** | **(35,256.54)** | **(28,504.58)** |
| | | | |
| **VII.** | **Tax Expense** | | |
| | (1) Deferred Tax | (224.20) | 54.74 |
| | **Total Tax Expense** | **(224.20)** | **54.74** |
| | | | |
| **VIII.** | **Profit / (Loss) for the period from continuing operations (VII-VIII)** | **(35,032.34)** | **(28,559.32)** |
| | | | |
| **IX.** | **Profit / (Loss) from discontinued operations** | - | - |
| | | | |
| **X.** | **Profit for the Year (V-VI)** | **(35,032.34)** | **(28,559.32)** |
| | | | |
| **XI.** | **Other Comprehensive Income** | | |
| **A.** | **(i) items that will not be reclassified to profit or loss** | | |
| | Remeasurements of defined benefit plans | (677.05) | (146.28) |
| | Income tax effect | 176.03 | 38.03 |
| | Net (loss) / gain on FVTOCI equity securities | (362.35) | 137,379.95 |
| | Income tax effect | 94.21 | (35,718.79) |
| | **Total comprehensive Income for the year (X+XI)** | **(35,801.49)** | **72,993.60** |
| | | | |
| **XII.** | **Earnings per Equity Share (Face Value ₹ 10)** | | |
| | (1) Restated Basic (**₹**) | (3.72) | (5.18) |
| | (2) Restated Diluted (**₹**) | (3.72) | (5.18) |

**Restated Consolidated Summary Statement of Cash Flows**

*(₹ in '000)*

| | | | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|---|---|
| **A.** | **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| | Profit Before Income Tax | | | |
| | Continuing operations | | (35,256.54) | (28,504.58) |
| | Discontinued operations | | | |
| | | | | |
| | Profit before Income Tax | | (35,256.54) | (28,504.58) |
| | | | | |
| | **Adjustment for:** | | | |
| | Depreciation and Amortization Expense | 729.69 | | 909.28 |
| | Interest Income | (383.10) | | (314.51) |
| | Interest Expense | 34.94 | | 54.31 |
| | Provision for Doubtful Debt | 3,783.05 | | - |
| | Changes in fair value of financial assets at fair value through OCI | (362.35) | | 137,379.95 |
| | Other Comprehensive Income – Remeasurement of defined benefit plan | (677.05) | | (146.28) |
| | | | | |
| | | | 3,125.17 | 137,882.74 |
| | **Operating Cash Flows Before Working Capital Changes** | | **(32,131.36)** | **109,378.17** |
| | | | | |
| | **Adjustments for:** | | | |
| | (Increase) / Decrease in Others (Non-Current Financial Assets) | 0.33 | | - |
| | (Increase)/Decrease in Trade Receivables (Current) | (15,011.82) | | (4,480.29) |
| | (Increase)/Decrease in Loans (Current Financial Assets) | - | | - |
| | (Increase)/Decrease in Others (Current Financial Assets) | (1,570.67) | | (10.00) |
| | (Increase)/Decrease in Other Current Assets | 514.44 | | (643.49) |
| | Increase/(Decrease) in Provisions (Non-Current ) | 1,295.33 | | 242.36 |
| | Increase/(Decrease) in Other non-current liabilities | - | | - |
| | Increase/(Decrease) in Trade Payables | (0.07) | | 127.81 |
| | Increase/(Decrease) in Other financial liabilities (Current) | 2,036.55 | | 3,059.98 |
| | Increase/(Decrease) in Other current liabilities (Current) | 2,307.04 | | (472.92) |
| | Increase/(Decrease) in Provisions (Current ) | 57.62 | | (0.11) |
| | | | | |
| | | | (10,371.26) | (2,176.67) |
| | | | | |
| | **Cash Generated from / (used) in Operations** | | (42,502.62) | 107,201.50 |
| | | | | |
| | **Adjustment for** | | | |
| | Income Taxes Paid | (5,180.87) | | (347.81) |
| | | | | |
| | Income Taxes Paid | | (5,180.87) | (347.81) |
| | | | | |
| | **Net Cash Flow from Operating Activities before investing and financing activities** | | (47,683.49) | 106,853.69 |
| | | | | |
| | Net Cash Flow from Operating Activities | | (47,683.49) | 106,853.69 |
| | | | | |
| **B.** | **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| | Payment for Purchase of Property, Plant and Equipment | (2,936.83) | | (700.58) |
| | Intercorporate Loan | (692.12) | | (2,000.00) |

| | | | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|---|---|
| | Payment for Purchase / Reinvestment of Investments | (17,386.06) | | (137,411.57) |
| | Application money paid towards securities | (1,066.67) | | - |
| | Sale in Investments | 8.00 | | |
| | Net Cash Flow from Investing Activities | | (22,073.69) | (140,112.15) |
| | | | | |
| **C.** | **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| | | | | |
| | Proceeds from Issues of Shares | 94,630.56 | | 29,999.99 |
| | Borrowings from directors | 10,503.62 | | 5,196.38 |
| | Loan repaid | (15,700.00) | | (1,525.00) |
| | Interest on direct taxes | (34.94) | | (54.00) |
| | Net Cash Inflow / (Outflow) from Financing Activities | | 89,399.24 | 33,617.37 |
| | | | | |
| | **NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS** | | 19,642.06 | 358.91 |
| | | | | |
| | **CASH AND CASH EQUIVALENTS:** | | | |
| | **AS AT THE BEGINNING** | | | |
| | Cash and Bank Balances | | 2,070.89 | 1,712.98 |
| | | | | |
| | | | **2,070.89** | **1,712.98** |
| | | | | |
| | **AS AT THE ENDING** | | | |
| | Cash and Bank Balances | | 21,712.95 | 2,070.89 |
| | | | | |
| | | | **21,712.95** | **2,070.89** |
| | | | | |
| | **NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS:** | | 19,642.06 | 358.91 |

**Restated Standalone Summary Statement of Assets and Liabilities**

*(₹ in '000)*

| | | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|---|
| **I.** | **ASSETS** | | | |
| | **Non-current Assets** | | | |
| | (a) Property, Plant and Equipment | 3,089.55 | 882.41 | 1,091.10 |
| | (b) Financial Assets | | | |
| | (i) Investments in joint ventures & associates | 1,204.55 | 25.00 | - |
| | (ii) Other Investments | 189,967.93 | 174,101.22 | 36,689.76 |
| | (iii) Loans | 4,692.12 | 4,000.00 | 2,000.00 |
| | (iv) Others | 1,066.67 | - | - |
| | (c) Non-Current Tax Assets (Net) | 5,528.69 | 347.81 | - |
| | **Total Non Current Assets** | **205,549.51** | **179,356.43** | **39,780.86** |
| | **Current assets** | | | |
| | (a) Financial Assets | | | |
| | (i) Trade receivables | 20,817.95 | 4,688.44 | 208.33 |
| | (ii) Cash and cash equivalents | 21,712.95 | 2,070.89 | 1,712.98 |
| | (iii) Others | 2,294.89 | 341.12 | 16.00 |
| | (b) Other current assets | 262.42 | 775.86 | 132.37 |
| | | **45,088.21** | **7,876.31** | **2,069.68** |
| | **Total Current Assets** | **45,088.21** | **7,876.31** | **2,069.68** |
| | **TOTAL ASSETS** | **250,637.65** | **187,232.82** | **41,850.43** |
| **II.** | **EQUITY AND LIABILITIES** | | | |
| | **1. Equity** | | | |
| | (a) Equity Share capital | 65,171.32 | 48,749.98 | 18,749.99 |
| | (b) Other Equity | 125,807.71 | 83,405.98 | 10,387.38 |
| | **Total Equity** | **190,979.03** | **132,155.96** | **29,137.37** |
| | **2. Liabilities** | | | |
| | **Non-current liabilities** | | | |
| | (a) Provisions | 1,614.29 | 318.96 | 76.61 |
| | (b) Deferred tax liabilities (Net) | 44,776.81 | 45,271.52 | 9,535.83 |
| | **Total Non Current Liabilities** | **46,391.11** | **45,590.48** | **9,612.44** |
| | **Current liabilities** | | | |
| | (a) Financial liabilities | | | |
| | (i) Trade payables | 4,347.20 | 752.27 | 624.46 |
| | (ii) Other financial liabilities | 6,256.47 | 8,434.92 | 1,703.94 |
| | (b) Other current liabilities | 2,606.23 | 299.19 | 772.11 |
| | (c) Provisions | 57.62 | - | 0.11 |
| | (d) Liabilities for Current Tax(Net) | - | - | - |
| | **Total Current Liabilities** | **13,267.52** | **9,486.38** | **3,100.62** |
| | **TOTAL EQUITY AND LIABILITIES** | **250,637.65** | **187,232.82** | **41,850.43** |

**Restated Standalone Summary Statement of Profit and Loss**

*(₹ in '000)*

| | | Year ended March 31, 2018 | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|---|---|---|---|
| **Revenue** | | | | |
| **I.** | Revenue from Operations | 53,601.34 | 18,838.96 | 208.33 |
| **II.** | Other Income | 610.04 | 396.51 | - |
| **III.** | **Total Income (I+II)** | **54,211.38** | **19,235.47** | **208.33** |
| | | | | |
| **IV.** | **Expenses** | | | |
| | Employee Benefits Expenses | 36,512.90 | 31,673.03 | 13,529.20 |
| | Finance Costs | 34.94 | 54.31 | - |
| | Depreciation and Amortization Expense | 729.68 | 909.28 | 299.62 |
| | Other Expenses | 52,196.40 | 15,078.44 | 3,102.01 |
| | **Total Expenses** | **89,473.92** | **47,715.05** | **16,930.83** |
| | | | | |
| **V.** | **Profit Before Tax (III-IV)** | **(35,262.54)** | **(28,479.58)** | **(16,722.49)** |
| | | | | |
| **VI.** | **Tax Expense** | | | |
| | (1) Deferred Tax | (224.20) | 54.74 | 7.95 |
| | **Total Tax Expense** | **(224.20)** | **54.74** | **7.95** |
| | | | | |
| **VII.** | **Profit for the Year (V-VI)** | **(35,038.34)** | **(28,534.32)** | **(16,730.44)** |
| | | | | |
| **VIII.** | **Other Comprehensive Income** | | | |
| **A.** | **(i) items that will not be reclassified to profit or loss** | | | |
| | Remeasurements of defined benefit plans | (677.05) | (146.28) | - |
| | Income tax effect | 176.03 | 38.03 | |
| | Net (loss) / gain on FVTOCI equity securities | (362.35) | 137,379.95 | 36,645.70 |
| | Income tax effect | 94.21 | (35,718.79) | (9,527.88) |
| | **Total comprehensive Income for the year (IX+X)** | **(35,807.49)** | **73,018.60** | **10,387.38** |
| | | | | |
| **IX.** | **Earnings per Equity Share (Face Value ₹ 10)** | | | |
| | (1) Restated Basic (**₹**) | (3.72) | (5.18) | (4.62) |
| | (2) Restated Diluted (**₹**) | (3.72) | (5.18) | (4.62) |

**Restated Standalone Summary Statement of Cash Flows**

*(₹ in '000)*

| | | Year ended March 31, 2018 | | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|---|---|---|---|---|
| **A.** | **CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| | Profit Before Income Tax | | | | |
| | Continuing operations | | (35,262.54) | (28,479.58) | (16,722.49) |
| | Discontinued operations | | | | |
| | | | | | |
| | Profit before Income Tax | | (35,262.54) | (28,479.58) | (16,722.49) |
| | | | | | |
| | **Adjustment for:** | | | | |
| | Depreciation and Amortization Expense | 729.69 | | 909.28 | 299.62 |
| | Interest Income | (383.10) | | (314.51) | - |
| | Interest Expense | 34.94 | | 54.31 | - |
| | Provision for Doubtful Debt | 3,783.05 | | - | - |
| | Other Comprehensive Income | (1,039.40) | | 137,233.67 | 36,645.70 |
| | | | | | |
| | | | 3,125.17 | 137,882.74 | 36,945.32 |
| | **Operating Cash Flows Before Working Capital Changes** | | (32,131.36) | 109,403.17 | 20,22.83 |
| | | | | | |
| | **Adjustments for:** | | | | |
| | (Increase)/Decrease in Trade Receivables (Current) | (19,912.56) | | (4,480.10) | (208.33) |
| | (Increase)/Decrease in Others (Current Financial Assets) | (1,570.67) | | (10.00) | (16.00) |
| | | | | | |
| | (Increase)/Decrease in Other Current Assets | 513.44 | | (643.49) | (132.37) |
| | Increase/(Decrease) in Provisions (Non-Current ) | 1,295.33 | | 242.36 | 76.61 |
| | Increase/(Decrease) in Trade Payables | 3,594.93 | | 127.81 | 624.46 |
| | Increase/(Decrease) in Other financial liabilities (Current) | 3,017.55 | | 3,059.98 | 178.94 |
| | Increase/(Decrease) in Other current liabilities (Current) | 2,307.04 | | (472.92) | 772.11 |
| | | | | | |
| | Increase/(Decrease) in Provisions (Current) | 57.62 | | (0.11) | 0.11 |
| | | | | | |
| | | | (10,697.00) | (2,176.48) | 1,295.53 |
| | | | | | |
| | **Cash Generated from / (used) in Operations** | | (42,834.36) | 107,226.49 | 21,518.35 |
| | | | | | |
| | **Adjustment for** | | | | |
| | Income Taxes Paid | (5,180.87) | | (347.81) | - |
| | | | | | |
| | **Income Taxes Paid** | | **(5,180.87)** | **(347.81)** | **-** |
| | | | | | |
| | | | | | |
| | **Net Cash Flow from Operating Activities before investing and financing activities** | | (48,015.23) | 106,878.88 | 21,518.35 |
| | | | | | |
| | Net Cash Flow from Operating Activities | | (48,015.23) | 106,878.88 | 21,518.35 |

| | | Year ended March 31, 2018 | | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|---|---|---|---|---|
| **B.** | **CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| | Payment for Purchase of Property, Plant and Equipment | (2,936.83) | | (700.58) | (1,390.72) |
| | Intercorporate Loan | (692.12) | | (2,000.00) | (2,000.00) |
| | Payment for Purchase / Reinvestment of Investments | (17,054.33) | | (137,436.76) | (36,689.65) |
| | Application money paid towards securities | (1,066.67) | | | |
| | Sale in Investments | 8.00 | | | |
| | Net Cash Flow from Investing Activities | | (21,741.95) | (140,137.34) | (40,080.36) |
| **C.** | **CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| | Proceeds from Issues of Shares | 94,630.56 | | 29,999.99 | 18,749.99 |
| | Borrowings from directors | 10,503.62 | | 5,196.38 | 1,525.00 |
| | Loan repaid | (15,700.00) | | (1,525.00) | - |
| | Interest on direct taxes | (34.94) | | (54.00) | - |
| | Net Cash Inflow / (Outflow) from Financing Activities | | 89,399.24 | 33,617.37 | 20,274.99 |
| | **NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS** | | 19,642.06 | 358.91 | 1,712.98 |
| | **CASH AND CASH EQUIVALENTS:** | | | | |
| | **AS AT THE BEGINNING** | | | | |
| | Cash and Bank Balances | | 2,070.89 | 1,712.98 | - |
| | | | 2,070.89 | 1,712.98 | - |
| | **AS AT THE ENDING** | | | | |
| | Cash and Bank Balances | | 21,712.95 | 2,070.89 | 1,712.98 |
| | | | 21,712.95 | 2,070.89 | 1,712.98 |
| | **NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS:** | | 19,642.06 | 358.91 | 1,712.98 |

## THE ISSUE

The following table summarizes the Issue details:

| | |
|---|---|
| **Issue[(1)]** | **Up to [●] Equity Shares aggregating to ₹230,000 thousand** |
| *Of which:* | |
| **(a) QIB Portion** | Up to [●] Equity Shares |
| Of which | |
| Anchor Investor Portion | Up to [●] Equity Shares |
| Net QIB Portion (assuming Anchor Investor Portion is fully subscribed) | [●] Equity Shares |
| Of which | |
| Available for allocation to Mutual Funds only (5% of the Net QIB Portion) (excluding the Anchor Investor Portion)) | [●] Equity Shares |
| Balance of QIB Portion for all QIBs including Mutual Funds | [●] Equity Shares |
| **(b) Non – Institutional Portion** | Not more than [●] Equity Shares |
| **(c) Retail Portion** | Not more than [●] Equity Shares |
| **Pre and post Issue Equity Shares** | |
| Equity Shares outstanding prior to the Issue | 10,203,856 Equity Shares |
| Equity Shares outstanding after the Issue | [●] Equity Shares |
| Utilisation of Net Proceeds | For details, see "*Objects of the Issue*" on page 86. |

** Our Company may, in consultation with the BRLM, 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 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 QIB Portion. 5% of the Net QIB Portion shall be available for allocation on 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 Issue Price. However, if aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionally to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Issue Procedure" on page 336.*

*(1) The Issue has been authorised by our Board pursuant to its resolution dated July 23, 2018, and by our Shareholders pursuant to their resolution dated July 28, 2018.*

**Notes:**

1. Allocation to all categories and Retail Individual Investors, except the Anchor Investor Portion, shall be made on a proportionate basis. 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 Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For details, see *"Issue Procedure"* on page 336.

2. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or a combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law. 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 details, including in relation to grounds for rejection of Bids, refer to *"Issue Structure"* and "*Issue Procedure*" on page 333 and 336, respectively. For details of the terms of the Issue, see *"Terms of the Issue"* on page 322.

## GENERAL INFORMATION

Our Company was incorporated as '*Xelpmoc Design and Tech Private Limited'*, a private limited company, under the Companies Act, 2013 on September 16, 2015 at Bengaluru, Karnataka, India, and the Certificate of Incorporation was issued by the Registrar of Companies, Karnataka. Thereafter, our Company was converted to a public company pursuant to a special resolution passed by our shareholders on July 2, 2018. Consequently, the name of our Company was changed to '*Xelpmoc Design and Tech Limited*' and a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the Registrar of Companies, Karnataka on July 20, 2018. For further details, including details of change in registered office of our Company, see "*History and Certain Corporate Matters*" on page 122.

For details on the business of our Company see "*Our Business*" on page 110.

**Registered Office**
#17, 4th Floor, Agies Building
1st 'A' Cross, 5th Block
Koramangala
Bengaluru - 560 034
Karnataka, India.
**Telephone:** +91 80 4370 8360
**Fax:** Not available
**Email:** info@xelpmoc.in
**Website:** www.xelpmoc.in
**Corporate Identity Number:** U72200KA2015PLC082873

**Address of the RoC**

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

'E' Wing, 2nd Floor,
Kendriya Sadana
Kormangala, Bengaluru – 560034
Karnataka, India

**Board of Directors**

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

| Name | Designation | DIN | Address |
|---|---|---|---|
| **Tushar Trivedi** | Chairman and Independent Director | 08164751 | 501-A, Labh Siddhi Co-operative Housing Society, Near St. Xavier's School Road, Vile Parle West, Mumbai – 400 056, Maharashtra, India. |
| **Sandipan Chattopadhyay** | Managing Director and Chief Executive Officer | 00794717 | 2B Crown Aura, Jakkur Plantation Road, Jakkur, Bengaluru North, Bengaluru – 560 064, Karnataka, India. |
| **Srinivas Koora** | Whole-Time Director and Chief Financial Officer | 07227584 | 1204, D-Wing, Palm Spring Complex, Link Road, Malad (West), Mumbai – 400064, Maharashtra, India. |
| **Jaison Jose** | Whole-Time Director | 07719333 | 8/5, Model Town Apartments, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra, India. |
| **Vishal Chaddha** | Whole-Time Director | 05321782 | 501-Tower No-18, South Close, Nirvana Country, Sector-50, Gurgaon, South City II, Gurgaon - 122018, Haryana, India. |
| **Bhavna** | Non-Executive Director | 08164750 | 2B Crown Aura, Jakkur Plantation Road, Jakkur, |

| Name | Designation | DIN | Address |
|---|---|---|---|
| **Chattopadhyay** | | | Bengaluru North, Bengaluru – 560 064, Karnataka, India. |
| **Premal Mehta** | Independent Director | 00090389 | A 403, Brentwood, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India. |
| **Pratiksha Pingle** | Independent Director | 06878382 | Flat No. 206, Wing-A, 2nd Floor Stellar Mahavir Universe, L B S Road, Bhandup (West), Mumbai – 400 078, Maharashtra, India. |

For brief profiles and further details of our Directors, see *"Our Management"* on page 129.

**Chief Financial Officer**

**Srinivas Koora**
#17, 4th Floor, Agies Building
1st 'A' Cross, 5th Block
Koramangala
Bengaluru - 560 034
Karnataka, India.
**Telephone:** +91 80 4370 8360
**Fax:** Not available
**E-mail:** srinivas@xelpmoc.in

**Company Secretary and Compliance Officer**

**Vaishali Kondbhar**
#17, 4th Floor, Agies Building
1st 'A' Cross, 5th Block
Koramangala
Bengaluru - 560 034
Karnataka, India.
Maharashtra, India.
**Telephone:** +91 80 4370 8360
**Fax:** Not available
**E-mail:** vaishali.kondbhar@xelpmoc.in

**Investor Grievances**

**Bidders may contact the Company Secretary and Compliance Officer, the BRLM, the Registrar to the Issue or the respective SCSBs in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, non-receipt of refund orders (in case of Anchor Investors), non-credit of Allotted Equity Shares in the respective beneficiary account or unblocking of funds, non-receipt of funds by electronic mode.**

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM with whom the Bid cum Application Form was submitted by the Anchor Investor.

Additionally, Bidders may also contact the BRLM for redressal of complaints. All complaints, queries or comments received by SEBI shall be forwarded to the BRLM, who shall respond to such complaints, queries or comments.

**Book Running Lead Manager**

**ITI Capital Limited**
**(Formerly known as Inga Capital Limited)**
Naman Midtown, Wing A
21st Floor, Senapati Bapat Marg
Elphinstone (W), Mumbai - 400 013
Maharashtra, India
**Telephone:** + 91 22 4031 3489
**Facsimile:** +91 22 4031 3379
**E-mail:** xelp.ipo@iticapital.in
**Investor grievance E-mail:** investorgrievance@iticapital.in
**Website:** www.iticapital.in
**Contact Person:** Pallavi Shinde
**SEBI Registration No.:** INM000010924*
**Application made to SEBI for change of name*

**Legal Counsel to the Issue as to Indian Law**

**M/s. Crawford Bayley & Co.**
4th Floor, State Bank Buildings
N.G.N. Vaidya Marg, Fort
Mumbai 400 023
Maharashtra, India
**Telephone:** +91 22 2266 3353
**Fax:** +91 22 2266 3978
**Email:** sanjay.asher@crawfordbayley.com

**International Legal Counsel to the Book Running Lead Manager**

**Squire Patton Boggs Singapore LLP**
10 Collyer Quay
#03-01/03 Ocean Financial Centre
Singapore 049315
**Telephone:** +65 6922 8668
**Fax:** +65 6922 8650

**Registrar to the Issue**

**Karvy Computershare Private Limited**
Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District
Nanakramguda,
Hyderabad 500 032
Telangana, India
**Tel:** +91 40 6716 2222
**Fax:** +91 40 2343 1551
**E-mail:** einward.ris@karvy.com
**Investor grievance e-mail:** xelpmoc.ipo@karvy.com
**Contact Person:** M Murali Krishna
**Website:** www.karisma.karvy.com
**SEBI Registration Number:** INR000000221

**Statutory Auditor to our Company**

**JHS & Associates LLP**
***(Formerly known as NMAH & Associates LLP)***
A – 78, First Floor,
Virwani Industrial Estate
Opposite Westin
Off Western Express Highway
Goregaon (East)
Mumbai – 400 063
**Tel.**: +91 22 2927 2030
**Fax:** Not available
**Email:** huzeifa.unwala@jhsassociates.in
**FRN:** 133288W / W100099
**Website:** www.jhsassociates.in
**Peer review number:** 010661

**Syndicate Members**

[●]

**Bankers to our Company**

**Axis Bank Limited**
No. 119, 80 Feet Road,
7th Block Industrial Layout,
Koramangala,
Bengaluru-560 095
Karnataka, India.
**Telephone:** +91 80 955 01941 / 80 955 01942
**Fax:** +91 80 6667 1777
**E-mail:** koramangala.branchhead@axisbank.com
**Website:** www.axisbank.com

**Banker(s) to the Issue/ Escrow Collection Bank / Refund Bank**

[●]

**Designated Intermediaries**

**Self-Certified Syndicate Banks**

The list of SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or such other websites as updated or prescribed by SEBI from time to time. For a list of the Designated Branches which shall collect ASBA Forms from the Bidders and Designated Intermediaries, please refer to the above-mentioned link.

**Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investors) 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 SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the members of Syndicate at Specified Locations, see the website of SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35).

**Registered Brokers**

Bidders could submit ASBA Forms in the Issue using the stock broker network of the Stock Exchanges, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and, https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, or such other website as updated from time to time.

**Registrar and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone numbers, and e-mail address, are provided on the websites the BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites 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 name and contact details, are provided on the websites of the BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

**Expert**

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

JHS & Associates LLP (formerly known as NMAH & Associates LLP), Chartered Accountants have given their consent to include their name as Statutory Auditors of the Company as required under Section 26 of the Companies Act, 2013 and as an "expert" defined under section 2(38) of the Companies Act, 2013 in respect of their reports, on the Restated Standalone Financial Statements and the Restated Consolidated Financial Statements, both dated August 24, 2018 included in this Draft Red Herring Prospectus and report dated August 24, 2018 on Statement of special tax benefits available to our Company and its shareholders, which have been included 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" and consent thereof does not represent an "expert" within the meaning under the Securities Act.

**Monitoring Agency**

As the Issue is not in excess of ₹ 1,000,000 thousand, we are not required to appoint a monitoring agency in accordance with the terms of Regulation 16(1) of the SEBI ICDR Regulations.

**Credit Rating**

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

**Inter-se Allocation of responsibilities**

ITI Capital Limited (formerly known as Inga Capital Limited) is the sole Book Running Lead Manager to the Issue and shall be responsible for the following activities:

| Sr. No. | Activity |
|---|---|
| 1. | Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy |
| 2. | Pre-Issue due diligence of the Company including its operations/management/business plans/legal etc., drafting and design of DRHP, RHP and Prospectus, ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus and RoC |

| Sr. No. | Activity |
|---|---|
| | filing |
| 3. | Drafting and approval of all statutory advertisements |
| 4. | Drafting and approval of publicity material other than statutory advertisements, including corporate advertising, brochures, etc. |
| 5. | Appointment of Registrar to the Issue, Printers, Banker(s) to the Issue, Advertising agency (including co-ordinating all agreements to be entered with such parties) |
| 6. | Preparation of roadshow presentation and FAQs for the roadshow team |
| 7. | International institutional marketing of the Issue, which will cover, *inter alia*:<br>• Institutional marketing strategy<br>• Finalizing the list and division of international investors for one-to-one meetings<br>• Finalizing international road show and investor meeting schedules |
| 8. | Domestic institutional marketing of the Issue, which will cover, *inter alia*:<br>• Finalizing the list and division of domestic investors for one-to-one meetings<br>• Finalizing domestic road show and investor meeting schedules |
| 9. | Conduct non-institutional marketing of the Issue |
| 10. | Conduct retail marketing of the Issue, which will cover, *inter-alia*:<br>• Finalising media, marketing, public relations strategy and publicity budget<br>• Finalising collection centres<br>• Finalising centres for holding conferences for brokers etc.<br>• Follow-up on distribution of publicity and Issue material including form, RHP/Prospectus and deciding on the quantum of the Issue material |
| 11. | Co-ordination with Stock-Exchanges for book building software, bidding terminals and mock trading, |
| 12. | Coordination with Stock Exchanges for deposit of 1% security deposit |
| 13. | Managing the book and finalization of pricing in consultation with the Company |
| 14. | Post-Bidding activities – management of escrow accounts, coordinating underwriting, co-ordination of non-institutional allocation, finalization of the basis of allotment based on technical rejections, listing of instruments, announcement of allocation and dispatch of refunds to Bidders, etc, payment of the applicable securities transaction tax, co-ordination with SEBI and stock exchanges for refund of 1% security deposit |

**Grading of the Issue**

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

**Trustees**

As this is an offer of Equity Shares, appointment of trustees is not required.

**Appraising Entity**

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

**Book Building Process**

Book building, in the context of the Issue, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot size will be decided by our Company in consultation with the BRLM and advertised in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and Bengaluru editions of Kannada newspaper [●] (Kannada being the regional language of Bengaluru where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid / Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

1. Our Company;
2. The BRLM;
3. The Syndicate Members;
4. The Registrar to the Issue;
5. The Escrow Collection Bank;
6. The SCSBs;
7. The CDPs;
8. The RTA; and
9. The Registered Brokers

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 41 of the SEBI ICDR Regulations. The Issue is being made in accordance with Regulation 26(2) of the SEBI ICDR Regulations, through the Book Building Process, wherein at least 75% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). 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 (excluding the Anchor Investor 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 QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.

**All potential Bidders, other than Anchor Investors, are mandatorily required to participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process by providing details of their respective bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs"). Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA Process.** For details, see *"Issue Procedure*" on page 336.

In accordance with the SEBI ICDR Regulations, QIB Bidders (other than Anchor Investors) Bidding in the QIB Portion and Non-Institutional Bidders 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 Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis. By submitting a Bid, each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Issue.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to the Issue. In this regard, our Company has appointed the BRLM to manage the Issue and procure Bids for the Issue.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

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

For further details, see "*Issue Structure*" and "*Issue Procedure*" on pages 333 and 336 respectively.

**Illustration of Book Building Process and the Price Discovery Process**

For an illustration of the Book Building Process and the price discovery process, see "*Issue Procedure – Part B – Basis of Allocation*" on page 371.

**Underwriting Agreement**

After the determination of the Issue Price and allocation of Equity Shares, but prior to the registration of the Prospectus with the RoC, our Company intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. The underwriting shall be to the extent of the Bids uploaded, subject to Regulation 13 of the SEBI ICDR Regulations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

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

*This table below has been intentionally left blank and would be finalized after pricing and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations and will be filled in before filing of the Prospectus with the RoC.*

| **Name, address, telephone number, fax number and email of the Underwriters** | **Indicative Number of the Equity Shares to be Underwritten** | **Amount Underwritten (₹ in thousand)** |
|---|---|---|
| [●] | [●] | [●] |

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the BRLM and the Syndicate Members shall be severally and not jointly responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers or subscribe to Equity Shares to the extent of the defaulted amount in accordance with and subject to the terms of the Underwriting Agreement. The underwriting arrangement stated above shall not apply to the applications by the ASBA Bidders in the Issue, except for ASBA Bids procured by any member of the Syndicate. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC.

## CAPITAL STRUCTURE

The share capital of our Company as at the date of this Draft Red Herring Prospectus, is set forth below:

*(₹ in thousand, except share data)*

| | | Aggregate nominal value | Aggregate value at Issue Price[1)] |
|---|---|---|---|
| **A)** | **AUTHORISED SHARE CAPITAL** | | |
| | 15,000,000 Equity Shares | 150,000.00 | |
| **B)** | **ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE ISSUE** | | |
| | 10,203,856 Equity Shares | 102,038.56 | |
| **C)** | **PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS[2)]** | | |
| | Up to [●] Equity Shares | [●] | [●] |
| **D)** | **ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE** | | |
| | [●] Equity Shares | [●] | |
| **E)** | **SECURITIES PREMIUM ACCOUNT** | | |
| | Before the Issue | | 78,209.22 |
| | After the Issue | | [●] |

*1) To be finalized upon determination of the Issue Price.*

*2) The Issue has been authorized by a resolution of our Board of Directors in their meeting held on July 23, 2018 and a resolution of our Shareholders in their Extraordinary General Meeting held on July 28, 2018.*

**Changes in our Authorised Share Capital**

For details in relation to the changes in the authorized share capital of our Company, see "*History and Certain Corporate Matters – Amendments to our Memorandum of Association*" on page 122.

**Notes to Capital Structure**

**1. Share capital history**

History of Equity Share capital of our Company

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

| Date of Allotment | Number of Equity Shares | Face value (₹) | Issue price per Equity Share (₹) | Nature of consideration | Nature of transaction | Cumulative number of Equity Shares | Cumulative paid up Equity Share capital (₹) |
|---|---|---|---|---|---|---|---|
| September 16, 2015 | 10,000 | 10 | 10 | Cash | Initial Subscription to the MoA dated August 20, 2015[(1)] | 10,000 | 100,000 |
| March 31, 2016 | 1,864,999 | 10 | 10 | Cash | Rights issue[(2)] | 1,874,999 | 18,749,990 |
| March 30, 2017 | 2,999,999 | 10 | 10 | Cash | Rights issue[(3)] | 4,874,998 | 48,749,980 |
| May 20, 2017 | 537,930 | 10 | 29 | Cash | Rights issue[(4)] | 5,412,928 | 54,129,280 |
| July 7, | 311,239 | 10 | 29 | Cash | Preferential | 5,724,167 | 57,241,670 |

| Date of Allotment | Number of Equity Shares | Face value (₹) | Issue price per Equity Share (₹) | Nature of consideration | Nature of transaction | Cumulative number of Equity Shares | Cumulative paid up Equity Share capital (₹) |
|---|---|---|---|---|---|---|---|
| 2017 | | | | | issue[5] | | |
| November 15, 2017 | 454,065 | 10 | 87 | Cash | Preferential issue[6] | 6,178,232 | 61,782,320 |
| January 30, 2018 | 338,900 | 10 | 90 | Cash | Preferential issue[7] | 6,517,132 | 65,171,320 |
| May 14, 2018 | 65,999 | 10 | 90 | Cash | Preferential issue[8] | 6,583,131 | 65,831,310 |
| July 28, 2018 | 3,620,725 | 10 | - | - | Bonus issue in the ratio 55:100[9] | 10,203,856 | 102,038,560 |

*(1) Initial subscription to the MoA of 3,334 Equity Shares by Sandipan Chattopadhyay, 3,333 Equity Shares by Srinivas Koora and 3,333 Equity Shares by Rajesh Dembla;*

*(2) 994,999 Equity Shares allotted to Sandipan Chattopadhyay, 435,000 Equity Shares allotted to Rajesh Dembla and 435,000 Equity Shares allotted to Srinivas Koora;*

*(3) 1,853,541 Equity Shares allotted to Sandipan Chattopadhyay and 1,146,458 Equity Shares allotted to Srinivas Koora;*

*(4) 382,758 Equity Shares allotted to Jaison Jose, 103,448 Equity Shares allotted to Sandipan Chattopadhyay and 51,724 Equity Shares allotted to Srinivas Koora;*

*(5) 216,515 Equity Shares allotted to Prakash Sanker, 13,532 Equity Shares allotted to Pankaj Gupta, 13,532 Equity Shares allotted to Naushad Vali, 13,532 Equity Shares allotted to Krishanu Seal, 13,532 Equity Shares allotted to Arnab Nandi, 13,532 Equity Shares allotted to Ankur Gala, 13,532 Equity Shares allotted to Sourav Sachin and 13,532 Equity Shares allotted to Souvik Banerjee;*

*(6) 28,735 Equity Shares allotted to Rajkumar Lahoti, 57,470 Equity Shares allotted to Prasad Panchgnula VLNSV, 57,470 Equity Shares allotted to Parvati Resources Private Limited, 11,500 Equity Shares allotted to Puneet Motihar, 28,735 Equity Shares allotted to Rikita Goel, 28, 735 Equity Shares allotted to Ganeshan Murugaiyan, 17,250 Equity Shares allotted to Lalitkumar Pai, 28,735 Equity Shares allotted to Sanjay Sharma, 5,750 Equity Shares allotted to Premal Mehta, 17,250 Equity Shares allotted to Wealth First Advisors Private Limited, 17, 250 Equity Shares allotted to Vikas Khattar, 28,735 Equity Shares allotted to Mahesh Ahuja, 92,000 Equity Shares allotted to Indranil Nandi, 5,750 Equity Shares allotted to Vipul Gala, 14,350 Equity Shares allotted to Surendra Bardia, and 14,350 Equity Shares allotted to Tushar Trivedi;*

*(7) 16,700 Equity Shares allotted to Samir Bali, 55,500 Equity Shares allotted to Mukul Agrawal, 16,700 Equity Shares allotted to Ramesh Krishnan, 222,250 Equity Shares allotted to Mirific Partners LLP and 27,750 Equity Shares allotted to Gopal Verma;*

*(8) 27,777 Equity Shares allotted to Prasad Panchgnula VLNSV, 11,111 Equity Shares allotted to M Siva Naga Mani, 16,000 Equity Shares allotted to Suhrid Brahma, and 11,111 Equity Shares allotted to Shalin Sanjay Shah.*

*(9) Allotment of 3,620,725 Equity Shares pursuant to capitalisation of ₹ 36,207,250 out of the securities premium account of our Company, to holders of Equity Shares as at July 27, 2018.*

**2. As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.**

**3. Issue of Equity Shares for consideration other than cash or through bonus**

Except as set out below, our Company has not issued Equity Shares for consideration other than cash or through bonus:

| Date of allotment/date when fully paid up | Number of Equity Shares Allotted | Face value (₹) | Persons to whom the Equity Shares were allotted | Reasons for allotment | Benefits accrued to our Company |
|---|---|---|---|---|---|
| July 28, 2018 | 3,620,725 | 10 | Existing shareholders as | Bonus issue in the ratio 55:100* | - |

| Date of allotment/date when fully paid up | Number of Equity Shares Allotted | Face value (₹) | Persons to whom the Equity Shares were allotted | Reasons for allotment | Benefits accrued to our Company |
|---|---|---|---|---|---|
| | | | on July 27, 2018 | | |

** Allotment of* 3,620,725 *Equity Shares pursuant to capitalisation of ₹* 36,207,250 *out of the securities premium account of our Company, to holders of Equity Shares as at July 27, 2018.*

For further details, see "*Capital Structure – Notes to Capital Structure –1. Share Capital History*" on page 73.

**4. Our Company has not issued any bonus shares out of capitalisation of its revaluation reserves or unrealised profits.**

**5. Issue of Equity Shares at a price that may be lower than the Issue Price in the last year**

Except as disclosed in the table below, our Company has not issued any Equity Shares in the last year preceding the date of this Draft Red Herring Prospectus at a price that may be lower than the Issue Price:

| Date of Allotment | Number of Equity Shares | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Reason |
|---|---|---|---|---|---|
| November 15, 2017 | 454,065 | 10 | 87 | Cash | Preferential issue |
| January 30, 2018 | 338,900 | 10 | 90 | Cash | Preferential issue |
| May 14, 2018 | 65,999 | 10 | 90 | Cash | Preferential issue |
| July 28, 2018 | 3,620,725 | 10 | - | N.A. | Bonus issue to all the existing shareholders of Equity Shares as on July 27, 2018 at the ratio of 55 Equity Shares for every 100 Equity Shares held. |

**6. Issue of Equity Shares in the last two preceding years**

For details of issue of Equity Shares by our Company in the last two preceding years, see "*Capital Structure – Notes to Capital Structure –Share Capital History – 1. Share Capital History*" on page 73.

**7. History of build-up, Promoter's contribution and lock-in of Promoter's shareholding**

As on the date of this Draft Red Herring Prospectus, our Promoters hold 7,456,990 Equity Shares, constituting 73.08% of the issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoter's shareholding are set out below.

***a. Build-up of Promoter's shareholding in our Company***

**Equity shareholding**

Set forth below is the build-up of the equity shareholding of our Promoters since incorporation of our Company:

| Date of allotment / transfer | Number of Equity Shares | Nature of consideration | Face value (₹) | Issue / acquisition price | Nature of transaction | % of the pre-Issue Equity Share capital | % of the post-Issue Equity Share capital |
|---|---|---|---|---|---|---|---|
| **Sandipan Chattopadhyay** | | | | | | | |
| September 16, 2015 | 3,334 | Cash | 10 | 10 | Initial Subscription to | 0.03 | [●] |

| Date of allotment / transfer | Number of Equity Shares | Nature of consideration | Face value (₹) | Issue / acquisition price | Nature of transaction | % of the pre-Issue Equity Share capital | % of the post-Issue Equity Share capital |
|---|---|---|---|---|---|---|---|
| | | | | | the MoA dated August 20, 2015 | | |
| March 31, 2016 | 994,999 | Cash | 10 | 10 | Rights issue | 9.75 | [●] |
| March 30, 2017 | 238,333 | Cash | 10 | 10 | Transfer from Rajesh Dembla | 2.34 | [●] |
| March 30, 2017 | 1,853,541 | Cash | 10 | 10 | Rights issue | 18.16 | [●] |
| May 9, 2017 | (10) | Cash | 10 | 10 | Transfer to Jaison Jose | Negligible | [●] |
| May 20, 2017 | 103,448 | Cash | 10 | 29 | Rights issue | 1.01 | [●] |
| October 14, 2017 | (27,065) | Cash | 10 | 29 | Transfer to Suvradeep Saha | 0.26 | [●] |
| October 14, 2017 | (1,082) | Cash | 10 | 29 | Transfer to Sriram C G | 0.01 | [●] |
| October 14, 2017 | (13,532) | Cash | 10 | 29 | Transfer to Sreejit Roy | 0.13 | [●] |
| October 14, 2017 | (40,597) | Cash | 10 | 29 | Transfer to Souvik Banerjee | 0.40 | [●] |
| October 14, 2017 | (1,082) | Cash | 10 | 29 | Transfer to Shubham Mithleshkumar Bajpai | 0.01 | [●] |
| October 14, 2017 | (1,082) | Cash | 10 | 29 | Transfer to Shubham Gupta | 0.01 | [●] |
| October 14, 2017 | (1,082) | Cash | 10 | 29 | Transfer to Shitanshu Roy | 0.01 | [●] |
| October 14, 2017 | (540) | Cash | 10 | 29 | Transfer to Sambit Mukherjee | Negligible | [●] |
| October 14, 2017 | (1,082) | Cash | 10 | 29 | Transfer to Sabaramani Radhakrishnan | 0.01 | [●] |
| October 14, 2017 | (2,165) | Cash | 10 | 29 | Transfer to Rishi Chandwani | 0.02 | [●] |
| October 14, 2017 | (40,597) | Cash | 10 | 29 | Transfer to Pankaj Gupta | 0.40 | [●] |
| October 14, 2017 | (27,065) | Cash | 10 | 29 | Transfer to Naushad Vali | 0.26 | [●] |
| October 14, 2017 | (1,082) | Cash | 10 | 29 | Transfer to Manish Kumar Jha | 0.01 | [●] |
| October 14, 2017 | (1,082) | Cash | 10 | 29 | Transfer to Irshad Vali | 0.01 | [●] |
| October 14, | (1,082) | Cash | 10 | 29 | Transfer to | 0.01 | [●] |

| Date of allotment / transfer | Number of Equity Shares | Nature of consideration | Face value (₹) | Issue / acquisition price | Nature of transaction | % of the pre-Issue Equity Share capital | % of the post-Issue Equity Share capital |
|---|---|---|---|---|---|---|---|
| 2017 | | | | | Ganesh Jayakumar Belle | | |
| October 14, 2017 | (13,532) | Cash | 10 | 29 | Transfer to Arnab Nandi | 0.13 | [●] |
| October 14, 2017 | (94,726) | Cash | 10 | 29 | Transfer to Ankur Gala | 0.93 | [●] |
| October 14, 2017 | (1,082) | Cash | 10 | 29 | Transfer to Agilan P | 0.01 | [●] |
| June 25, 2018 | (292,409) | Gift | 10 | - | Transfer to Bhavna Chattopadhyay | 2.87 | [●] |
| July 28, 2018 | 1,447,423 | - | 10 | - | Bonus Issue in the ratio of 55:100 | 14.18 | [●] |
| **Total (A)** | **4,079,102** | | | | | **39.98** | [●] |
| **Srinivas Koora** | | | | | | | |
| September 16, 2015 | 3,333 | Cash | 10 | 10 | Initial Subscription to the MoA dated August 20, 2015 | 0.03 | [●] |
| March 31, 2016 | 435,000 | Cash | 10 | 10 | Rights issue | 4.26 | [●] |
| March 30, 2017 | 1,146,458 | Cash | 10 | 10 | Rights issue | 11.23 | [●] |
| May 20, 2017 | 51,724 | Cash | 10 | 29 | Rights issue | 0.51 | [●] |
| July 28, 2018 | 900,083 | - | 10 | - | Bonus Issue in the ratio of 55:100 | 8.82 | [●] |
| **Total (B)** | **2,536,598** | | | | | **24.86** | [●] |
| **Jaison Jose** | | | | | | | |
| May 9, 2017 | 10 | Cash | 10 | 10 | Transfer from Sandipan Chattopadhyay | Negligible | [●] |
| May 20, 2017 | 382,758 | Cash | 10 | 29 | Rights issue | 3.75 | [●] |
| July 25, 2017 | 200,000 | Cash | 10 | 40 | Transfer from Rajesh Dembla | 1.96 | [●] |
| October 14, 2017 | (40,000) | Cash | 10 | 40 | Transfer to Koora Manjula | 0.39 | [●] |
| July 28, 2018 | 298,522 | - | 10 | - | Bonus Issue in the ratio of 55:100 | 2.92 | [●] |
| **Total (C)** | **841,290** | | | | | **8.24** | [●] |
| **Total (A+B+C)** | **7,456,990** | | | | | **73.08** | |

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are pledged.

**b. Shareholding of our Promoters and the members of our Promoter Group**

Provided below are details of Equity Shares held by our Promoters and the members of our Promoter Group as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of Shareholder | Pre-Issue | | Post-Issue | |
|---|---|---|---|---|---|
| | | No. of Equity Shares | Percentage of pre-Issue capital (%) | No. of Equity Shares | Percentage of post-Issue capital (%) |
| **Promoters** | | | | | |
| 1. | Sandipan Chattopadhyay | 4,079,102 | 39.98 | **[●]** | **[●]** |
| 2. | Srinivas Koora | 2,536,598 | 24.86 | **[●]** | **[●]** |
| 3. | Jaison Jose | 841,290 | 8.24 | **[●]** | **[●]** |
| **Subtotal (A)** | | **7,456,990** | **73.08** | **[●]** | **[●]** |
| **Promoter Group** | | | | | |
| 4. | Bhavna Chattopadhyay | 453,234 | 4.44 | [●] | [●] |
| 5. | Koora Manjula | 62,000 | 0.61 | [●] | [●] |
| **Subtotal (B)** | | **515,234** | **5.05** | **[●]** | **[●]** |
| **Total (A+B)** | | **7,972,224** | **78.13** | **[●]** | **[●]** |

**c. Details of Promoters' contribution locked-in for three years**

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue capital of our Company held by our Promoters shall be locked-in as minimum promoters' contribution for a period of three years from the date of Allotment ("**Promoters' Contribution**") and the Promoters' shareholding in excess of 20% of the fully diluted post-Issue capital shall be locked in for a period of one year from the date of Allotment.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 7,456,990 Equity Shares, constituting 73.08% of our Company's paid-up Equity Share capital, of which [●] Equity Shares, constituting [●]% of our Company's paid-up Equity Share capital, are eligible for Promoters' Contribution.

Details of the Equity Shares to be locked-in for three years as minimum Promoter's contribution are set forth in the table below:

| Name of the Promoters | No. of Equity Shares locked-in | Date of transaction | Face value (₹) | Allotment / Acquisition price (₹) | Nature of transaction | % of the pre-Issue Equity Share capital | % of the post-Issue Equity Share capital |
|---|---|---|---|---|---|---|---|
| Sandipan Chattopadhyay | [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| Srinivas Koora | [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| Jaison Jose | [●] | [●] | [●] | [●] | [●] | [●] | [●] |

The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot, as required under the SEBI ICDR Regulations.

The Equity Shares that are being locked-in for computation of Promoters' Contribution are not, and will not be, ineligible under Regulation 33 of the SEBI ICDR Regulations. In particular, these Equity Shares do not, and shall not, consist of:

i. Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) resulting from bonus issuances of Equity Shares out of revaluations reserves or unrealised profits or against Equity Shares which are otherwise ineligible for computation of promoters' contribution;

ii. Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

iii. Equity Shares acquired on account of conversion of partnership firms in the last one year preceding the date of this Draft Red Herring Prospectus (given that our Company has not been formed as a result of such conversion); and

iv. Equity Shares held by the Promoters that are subject to any pledge.

**8. Sales or purchases of Equity Shares or other specified securities of our Company by our Promoters, the other members of our Promoter Group or our Directors or their immediate relatives, or Directors of the members of the Promoter Group during the six months immediately preceding the date of this Draft Red Herring Prospectus.**

Except as disclosed below, our Promoters, other members of our Promoter Group, our Directors or their immediate relatives have not sold, purchased or otherwise transferred any Equity Shares or other specified securities of our Company during the six months immediately preceding the date of this Draft Red Herring Prospectus:

| Transferor | Transferee | No. of Equity Shares / specified securities sold / transferred | Date of transaction | Transaction price per Equity Share (₹) | Nature of transaction |
|---|---|---|---|---|---|
| Sandipan Chattopadhyay | Bhavna Chattopadhyay | 292,409 | June 25, 2018 | - | Gift |

**9. Details of share capital locked-in for one year**

a. In addition to the 20% of the fully diluted post-Issue shareholding of our Company held by our Promoters and locked-in for three years as specified above, the entire pre-Issue Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment.

b. The Equity Shares held by the Promoters, which are locked-in may be transferred to and among the members of the Promoter Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

c. Pursuant to Regulation 39(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans. The equity Shares locked in as "Promoters' Contribution" may be pledged only if the loan has been granted by the scheduled commercial bank or public financial institution for the purpose of financing one or more of the Objects of the Issue, and such pledge of the Equity Shares is one of the terms of the sanction of the loan.

d. The Equity Shares held by persons other than the Promoters and locked-in for a period of one year from the date of Allotment in the Issue may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations.

**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.

**10. Our shareholding pattern**

The table below represents the equity shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

| Category (I) | Category of the Shareholder (II) | No. of Shareholders (III) | No. of fully paid up equity shares held (IV) | No. of partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total No. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) (VIII) | No. of Voting Rights held in each class of securities (IX) | | | | No. of shares Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital (XI)=(VII)+(X) as a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized from (XIV) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No. of Voting Rights | | | Total as a % of total voting rights | | | | No. (a) | As a % total shares held (b) | No. (a) | As a % total shares held (b) | |
| | | | | | | | | Class eg: X | Class eg: Y | Total | | | | | | | | |
| (A) | Promoter & Promoter Group | 5 | 7,972,224 | 0 | N.A. | 7,972,224 | 78.13 | 7,972,224 | N.A. | 7,972,224 | 78.13 | N.A. | 78.13 | 0 | 0 | 0 | 0 | 0 |
| (B) | Public | 45 | 2,231,632 | 0 | N.A. | 2,231,632 | 21.87 | 2,231,632 | N.A. | 2,231,632 | 21.87 | N.A. | 21.87 | 0 | 0 | 0 | 0 | 0 |
| (C) | Non-Promoter-Non Public | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N.A | N.A. |
| (1) | Shares underlying Custodian/Depository Receipts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N.A | N.A. |
| (2) | Shares held by Employee Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N.A | N.A. |
| | **Total (A)+(B)+(C)** | **50** | **10,203,856** | **0** | **0** | **10,203,856** | **100** | **10,203,856** | **0** | **10,203,856** | **100** | **0** | **100** | **0** | **0** | **0** | **N.A** | **0** |

**11. Shareholding of our Directors and Key Managerial Personnel in our Company**

Other than as set forth below, none of the Directors and Key Managerial Personnel hold Equity Shares as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name | Director / Key Managerial Personnel | No. of Equity Shares | Percentage of pre-Issue capital (%) |
|---|---|---|---|---|
| 1. | Tushar Trivedi | Chairman and Independent Director | 22,243 | 0.22 |
| 2. | Sandipan Chattopadhyay | Managing Director and Chief Executive Officer | 4,079,102 | 39.98 |
| 3. | Srinivas Koora | Whole-Time Director and Chief Financial Officer | 2,536,598 | 24.86 |
| 4. | Jaison Jose | Whole-Time Director | 841,290 | 8.24 |
| 5. | Bhavna Chattopadhyay | Non-Executive Director | 453,234 | 4.44 |
| 6. | Premal Mehta | Independent Director | 8,913 | 0.09 |

**12.** As on the date of this Draft Red Herring Prospectus, our Company has 50 shareholders of Equity Shares.

**13. Details of Equity shareholding of the 10 largest Equity Shareholders of our Company:**

a) The 10 largest Equity Shareholders of our Company as on date of the date of filing of this Draft Red Herring Prospectus, are as follows:

| Sr. No. | Name of Shareholder | No. of Equity Shares | Percentage of pre-Issue capital (%) |
|---|---|---|---|
| 1. | Sandipan Chattopadhyay | 4,079,102 | 39.98 |
| 2. | Srinivas Koora | 2,536,598 | 24.86 |
| 3. | Jaison Jose | 841,290 | 8.24 |
| 4. | Bhavna Chattopadhyay | 453,234 | 4.44 |
| 5. | Mirific Partners LLP | 344,488 | 3.38 |
| 6. | Prakash Sankar | 335,598 | 3.29 |
| 7. | Ankur Gala | 167,800 | 1.65 |
| 8. | Indranil Nandi | 142,600 | 1.40 |
| 9. | Prasad Panchagnula VLNSV | 132,133 | 1.29 |
| 10. | Parvati Resources Private Limited | 89,079 | 0.87 |
| **Total** | | **9,121,922** | **89.40** |

b) The 10 largest Equity Shareholders of our Company 10 days prior to filing of this Draft Red Herring Prospectus are as follows:

| Sr. No. | Name of Shareholder | No. of Equity Shares | Percentage of pre-Issue capital (%) |
|---|---|---|---|
| 1. | Sandipan Chattopadhyay | 4,079,102 | 39.98 |
| 2. | Srinivas Koora | 2,536,598 | 24.86 |
| 3. | Jaison Jose | 841,290 | 8.24 |
| 4. | Bhavna Chattopadhyay | 453,234 | 4.44 |
| 5. | Mirific Partners LLP | 344,488 | 3.38 |
| 6. | Prakash Sankar | 335,598 | 3.29 |
| 7. | Ankur Gala | 167,800 | 1.65 |
| 8. | Indranil Nandi | 142,600 | 1.40 |
| 9. | Prasad Panchagnula VLNSV | 132,133 | 1.29 |
| 10. | Parvati Resources Private Limited | 89,079 | 0.87 |

| | | |
|---|---|---|
| **Total** | **9,121,922** | **89.40** |

c) As of two years prior to filing of this Draft Red Herring Prospectus our Company had 3 shareholders of Equity Shares. The number of Equity Shares held by them as of two years prior to filing of this Draft Red Herring Prospectus are as follows:

| Sr. No. | Name of Shareholder | No. of Equity Shares | Percentage of pre-Issue capital (%) |
|---|---|---|---|
| 1. | Sandipan Chattopadhyay | 998,333 | 53.24 |
| 2. | Srinivas Koora | 438,333 | 23.38 |
| 3. | Rajesh Dembla | 438,333 | 23.38 |
| **Total** | | **1,874,999** | **100.00** |

**14. Employee Stock Option Plan**

Pursuant to a resolution of our Board dated July 23, 2018 and a resolution passed by our shareholders at the extra-ordinary general meeting held on July 28, 2018, our Company instituted the 'Xelpmoc Employee Stock Option Scheme 2018' ("**ESOP 2018**") to provide for the grant of options to employees of our Company who meet the eligibility criteria under ESOP 2018.

The objectives of ESOP 2018 include, *inter alia*, to motivate the employees of our Company to contribute to our growth and profitability, to retain employees and attract talent to the employment of our Company and to create a sense of ownership and participation amongst our employees.

ESOP 2018 envisages a grant of an aggregate of 1,400,000 options each of which option, upon exercise, grants its holder the right to be allotted one Equity Share, upon payment of the exercise. The quantum of options that can be granted under the ESOP 2018 and the issue of Equity Shares upon its exercise are subject to corresponding fair and reasonable adjustment in the event of corporate actions by our Company including capitalization of our profits or reserves.

In terms of the ESOP 2018, the vesting period of options shall commence after a period of one year from the date of grant of options and may extend up to seven years from the date of grant. Further, the exercise price of the Equity Shares will be the market price of the Equity Shares one day before the date of the meeting of the Nomination and Remuneration Committee wherein the grant of options of that particular year shall be approved.

As on the date of this Draft Red Herring Prospectus, no options have been granted under ESOP 2018. Our Company may, during the period between filing of this Draft Red Herring Prospectus and filing the Red Herring Prospectus with the RoC, grant options under ESOP 2018 to its employees.

As per the certificate dated August 24, 2018, issued by JHS & Associates, LLP, Chartered Accountants, the ESOP 2018 is in compliance with the SEBI ESOP Regulations.

**15.** Our Company, our Directors or the BRLM have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares or other specified securities of our Company.

**16.** Neither the BRLM nor its associates hold any Equity Shares as on the date of filing of this Draft Red Herring Prospectus. The BRLM and its affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

**17.** Except for Mutual Funds sponsored by entities related to the BRLM, Syndicate Members and any persons related to the BRLM or Syndicate Members cannot apply in the Issue under the Anchor Investor Portion. No person related to our Promoters or other members of the Promoter Group shall apply under the Anchor Investor Portion.

**18.** No person connected with the Issue, including, but not limited to, the BRLM, the Syndicate Members, our Company, Directors, Promoters or the members of our Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid.

**19.** Our Company has not issued any Equity Shares out of its revaluation reserves.

**20.** The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus.

**21.** There are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares as on the date of this Draft Red Herring Prospectus.

**22.** Our Company has not allotted any shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or provisions of Section 230 to 232 of the Companies Act, 2013.

**23.** Except for the Equity Shares to be allotted pursuant to the Issue, our Company presently does not intend or propose or is under negotiation or consideration to alter the capital structure for a period of six months from the Bid/ Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares whether on a preferential basis or bonus or rights issue or further public offering or qualified institutions placement or otherwise, except that if our Company enters into acquisitions, joint venture(s) or any other arrangements, our Company may consider raising additional capital to fund such activities or to use Equity Shares as a currency for acquisitions or participation in such joint ventures at any time during the aforementioned six months.

**24.** 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 this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

**25.** During the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoters, other members of our Promoter Group, our Directors or their relatives may have financed the purchase of securities of our Company by any other person.

**26.** Our Promoters and members of our Promoter Group will not submit Bids in this Issue.

**27.** In terms of Rule 19(2)(b) of the SCRR, the Issue is being made for at least 25% of the post-Issue paid-up equity share capital of our Company. The Issue is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Issue shall be Allotted on a proportionate basis to QIBs. Our Company may, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price and such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall

be Allotted to all Retail Individual Bidders on a proportionate basis. All Bidders other than Anchor Investors are mandatorily required to participate in the Issue through ASBA process, providing the details of their respective bank accounts, which will be blocked by SCSBs. Anchor Investors are not permitted to participate in the Issue through ASBA process.

**28.** Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and 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 in consultation with the BRLM and the Designated Stock Exchange, in accordance with applicable laws. Under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from any category or combination thereof.

**29.** The Equity Shares issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

**30.** Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

**31.** There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

**32.** Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group, if any, during the period between the date of registering the Red Herring Prospectus with the RoC and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of the transactions.

**33.** Oversubscription to the extent of 10% of the Issue to the public can be retained for the purposes of rounding off to the nearer multiple of minimum Allotment lot.

**34.** None of the Equity Shares held by the Promoters or members of our Promoter Group are pledged or otherwise encumbered.

**35.** Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.

## OBJECTS OF THE ISSUE

The proceeds of the Issue, after deducting Issue related expenses ("**Net Proceeds**"), are estimated to be ₹ [●] thousand.

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

1. Purchase of IT hardware and network equipment's for development centers in Kolkata and Hyderabad;
2. Purchase of fit outs for new development centers in Kolkata and Hyderabad;
3. Funding working capital requirements of our Company; and
4. General corporate purposes.

(Collectively, the "**Objects**").

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges.

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us to undertake our existing business activities and the activities for which funds are being raised by us through the Issue.

**Net Proceeds**

The details of the proceeds of the Issue are summarized below:

*(₹ in thousand)*

| **Particulars** | **Estimated Amount*** |
|---|---|
| Gross proceeds from the Issue | Up to 230,000 |
| Less: Issue related expenses * | [●] |
| Net Proceeds* | [●] |

** Will be incorporated after finalization of the Issue Price and updated in the Prospectus at the time of filing with the RoC.*

**Means of Finance**

The fund requirements set out below are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 4(2) (g) 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 Issue and existing identifiable internal accruals.

**Requirement of Funds and Utilisation of Net Proceeds**

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

*(₹ in thousand)*

| **Particulars** | **Estimated utilization in** | | | **Total** |
|---|---|---|---|---|
| | **Fiscal 2019** | **Fiscal 2020** | **Fiscal 2021** | |
| Purchase of IT hardware and network equipment's for development centers in Kolkata and Hyderabad | 5,158.55 | 49,716.64 | - | **54,875.19** |
| Purchase of fit outs for new development centers in Kolkata and Hyderabad | - | 40,862.50 | - | **40,862.50** |
| Funding working capital requirements of our Company | 10,000.00 | 40,000.00 | 10,000.00 | **60,000.00** |
| General corporate purposes* | [●] | [●] | [●] | [●] |

| Particulars | Estimated utilization in | | | Total |
|---|---|---|---|---|
| | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | |
| **Total** | [●] | [●] | [●] | [●] |

**To be finalized upon determination of Issue Price.*

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects during Fiscal 2019 Fiscal 2020 and Fiscal 2021. In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal is not completely met, the same shall be utilised in the next Fiscal. Similarly, subject to our business considerations, our Company may also use the Net Proceeds in the preceding Fiscal, if it is in the best interests of our Company.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, valid quotation and present market conditions and have not been verified by the BRLM, appraised by any bank, financial institution or any other external agencies. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment. Further, if the Net Proceeds are not completely utilised for the objects stated above by Fiscal 2020 due to factors which may include, but are not limited to, (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Issue; (iv) market conditions outside the control of our Company; and (v) other commercial considerations; the same would be utilised (in part or full) in Fiscal 2021 or a subsequent period as may be determined by our Company in accordance with applicable law. Also refer to the sub-section titled "*Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control."* on page 30.

Subject to applicable laws, in the event of increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity may be met from alternate arrangements including internal accruals or equity and/or debt financing. We believe that such alternate arrangements would be available to fund such shortfalls Alternatively, if the actual utilisation towards any of the objects is lower than the proposed deployment, then such balance will be used for future growth opportunities including, funding existing objects (if required) and general corporate purposes, subject to applicable laws.

Further, any additional costs, apart from the contingencies mentioned for the respective Objects, incurred towards applicable taxes, freight charges, installation charges, exchange rate fluctuations, etc. in relation to any of the Objects, will be met from internal accruals of our Company.

**Details of Objects of the Issue**

**1. Purchase of IT hardware and network equipment for a development centers in Kolkata and Hyderabad**

We intend to continue growing our existing technological capabilities and expanding our domain expertise by identifying sectors with high-growth potential and recruiting industry experts in such sectors who can add value to our products and solutions and help us gain credibility in the market. Further, we intend to focus on providing our personnel with entrepreneurial opportunities to expand our business within their areas of expertise. We will also continue to provide our personnel with personal and professional growth opportunities, including additional training, performance-based incentives such as opportunities for stock ownership, and other competitive benefits. In furtherance to our strategy to strengthen our human capital, we require additional development centers in Kolkata and Hyderabad. Accordingly, we are in the process of identifying a new office spaces on lease hold or rental basis admeasuring approximately 5,550 square feet at Kolkata and office space admeasuring approximately 6,125 square feet at Hyderabad. This new office space will be used as a development centers in Kolkata and Hyderabad.

Our Company intends to utilize ₹ 54,875.19 thousand from the Net Proceeds to purchase IT hardware and network equipment for development centers in Kolkata and Hyderabad. The estimated total expenses required to be incurred in both the centers is set forth below:

| Sr. No. | Product Type* | Quantity | Cost per unit (Amount ) | Total Estimated Amount* |
|---|---|---|---|---|
| 1. | IBM Linux One LM4 – Server | 3 | 5,450.00 | 16,350.00 |

| Sr. No. | Product Type* | Quantity | Cost per unit (Amount ) | Total Estimated Amount* |
|---|---|---|---|---|
| 2. | Tanotis – 3 D Printer | 2 | 513.00 | 1,026.00 |
| 3. | XYZ Da Vinci Color – 3 D Printer | 2 | 229.00 | 458.00 |
| 4. | Maker bot Replicator Z18 – 3 D Printer | 2 | 650.00 | 1,300.00 |
| 5. | Laser Cutting Machine | 1 | 430.00 | 430.00 |
| 6. | Lego Mind storms EV3 31313 - DIY Kit | 2 | 32.00 | 64.00 |
| 7. | Lenovo Desktop V520 - Core i5-7400, 16GB RAM, 1TB HDD, DVD, Windows 10 Pro | 75 | 49.99 | 3,749.25 |
| 8. | Lenovo X270 laptop - Core i5-7th gen , 16GB RAM,512 ssd NO DVD, Windows 10 Pro | 5 | 79.99 | 399.95 |
| **Sub – Total** | | | | **23,777.20** |
| **Tax at the rate of 18%** | | | | **4,279.90** |
| **Total Cost (A)** | | | | **28,057.10** |
| 1. | Processor - AMD Ryzen Threadripper 16 core 1950X | 1 | 74.99 | 74.99 |
| 2. | RAM - 64GB DDR4 (4x 18 GB) ripJaws X Series G. Skill | 4 | 14.25 | 57.00 |
| 3. | GPU - 4x 1080 Ti (GeForce NVIDIA) | 4 | 72.50 | 290.00 |
| 4. | Storage - 2TB SSD | 1 | 48.50 | 48.50 |
| 5. | Motherboard - AMD/Asus ROG X399 AORUS Gaming motherboard | 1 | 29.99 | 29.99 |
| 6. | Display + IO components - | 1 | 21.50 | 21.50 |
| 7. | Cooling Systems - | 1 | 12.80 | 12.80 |
| 8. | PSU - AX1600I Corsair | 1 | 33.40 | 33.40 |
| **Cost per machine** | | | | **568.18** |
| **Total cost for 40 machines** | | | | **22,727.20** |
| **Tax at the rate of 18%** | | | | **4,090.90** |
| **Total Cost (B)** | | | | **26,818.10** |
| **Total Amount (A+B)** | | | | **54,875.19** |

We have received quotation from Om Sai Corporation dated July 27, 2018, which are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with Om Sai Corporation and there can be no assurance that the same vendor would be engaged to eventually supply the above mentioned items at the same costs. The abovementioned quantities are based on management estimates. Further, the above estimates do not include freight costs, taxes and installation costs. We intend to meet this costs from our internal accruals. We do not intend to purchase any second-hand items.

**2. Purchase of fit outs for a new development centers in Kolkata and Hyderabad**

As of June 30, 2018, we had three development centers two are located in Kolkata and one in Bengaluru. Further, we intend to further expand our operations by opening new development centers for which we require additional office space in Kolkata and Hyderabad.

As a part of our strategy, we propose to utilise ₹ 40,862.50 thousand out of the Net Proceeds towards purchase of fit outs for our new development center with an approximate built-up area of 5,550 square feet in Kolkata and 6,125 square feet in Hyderabad. We intend to occupy the property on leasehold or rental basis to set up new development centers in Kolkata and Hyderabad.

We propose to occupy an unfurnished office space, which we plan to furnish using services of third party vendors. Such premises requires us to install fixtures, fittings and furniture for the proposed office premises. These costs would include costs in relation to fit-out charges including, civil work, plumbing, carpentry, sofa – chair, electrical installations, painting, air conditioning, firefighting, sliding metal compactor system etc. We have prepared a cost estimate for executing, designing, supervision and producing all relevant interiors drawing based on quotations

dated July 27, 2018 received from Fourth Dimension Architects & Interior Designers which aggregates to ₹ 40,862.50 thousand. The quotation is valid as on date of this Draft Red Herring Prospectus.

The detailed break-down of the estimated cost for installation of the fixtures, fittings and furniture along with details of the quotation, as applicable, is set forth below.

*(₹ in thousand)*

| Sr. No. | Particulars | Amount |
|---|---|---|
| **A.** | ***Project cost for purchase of fit outs for our new development center with an approximate built-up area of 5,550 sq. ft. in Kolkata*** | |
| 1. | Civil work | 1,883.70 |
| | Plumbing work | 270.00 |
| | False ceiling work | 404.24 |
| | Carpentry work | 5,340.19 |
| | Sofas and chairs | 821.80 |
| | Electrical work | 1,921.90 |
| | Painting work | 160.00 |
| | Sliding work | 22.00 |
| | Other work | 3,078.42 |
| | Firefighting work | 555.00 |
| | Air conditioning work | 3,468.75 |
| | Invertor and ups work | 999.00 |
| | Sliding metal compactor system | 500.00 |
| | **Approximate project cost for 5,550 sq. ft x ₹ 3,500 per sq ft (Total A)** | 19,425.00 |
| **B.** | ***Project cost for purchase of fit outs for our new development center with an approximate built-up area of 6,125 sq. ft. in Hyderabad*** | |
| 1. | Civil work | 2,092.17 |
| | Plumbing work | 270.00 |
| | False ceiling work | 405.08 |
| | Carpentry work | 5,410.39 |
| | Sofas and chairs | 1,119.00 |
| | Electrical work | 2,160.05 |
| | Painting work | 273.13 |
| | Sliding work | 27.50 |
| | Other work | 3,637.07 |
| | Firefighting work | 612.50 |
| | Air conditioning work | 3,828.13 |
| | Invertor and ups work | 1,102.50 |
| | Sliding metal compactor system | 500.00 |
| | **Approximate project cost for 6,125 sq. ft x ₹ 3,500 per sq ft (Total B)** | 21,437.50 |
| | **Total (A+B)** | **40,862.50.00** |

We have not entered into any definitive agreements with any of any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the above mentioned items at the same costs. The abovementioned quantities are based on management estimates. We do not intend to purchase any second-hand items.

**2. To meet working capital requirement of our Company**

We fund our working capital requirements in the ordinary course of our business from our internal accruals.

**Working capital requirement and basis of estimation of working capital**

Our Company's current assets and liabilities and net working capital on a restated standalone basis as of March 31, 2018, were as follows:

*(₹ in thousand)*

| Particulars | Fiscal 2018 |
|---|---|
| **Current Assets** | |
| Cash and bank balances | 21,712.95 |
| Trade receivables | 20,817.95 |
| Other current assets including Short term loans and advances | 2,557.31 |
| **Total (A)** | **45,088.21** |
| **Current liabilities** | |
| Trade payables | 4,347.20 |
| Other current liabilities | 8,862.69 |
| Short term provisions | 57.62 |
| **Total (B)** | **13,267.52** |
| **Net working capital requirement (A - B)** | **31,820.69** |

| | |
|---|---|
| **Sources Of Working Capital** | |
| Internal Accrual* | **31,820.69** |
| Other Sources | NIL |

*Note – Equity funding

The estimated working capital requirements as on Fiscal 2019, Fiscal 2020 and Fiscal 2021 have been provided below:

*(₹ in thousand)*

| Particulars | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 |
|---|---|---|---|
| **I. Current Assets** | | | |
| Cash and bank balances | 20,445.39 | 16,107.48 | 12,355.00 |
| Trade receivables | 28,800.00 | 45,000.00 | 63,000.00 |
| Other current assets including Short term loans and advances | 7,192.00 | 12,512.00 | 17,012.00 |
| **Total (A)** | **56,437.39** | **73,619.48** | **92,367.00** |
| **II. Current liabilities** | | | |
| Trade payables | 6,177.02 | 7,057.64 | 8,274.21 |
| Other current liabilities | 10,158.25 | 13,170.50 | 16,605.92 |
| Short term provisions | 71.11 | 92.19 | 116.24 |
| **Total (B)** | **16,406.38** | **20,320.33** | **24,996.38** |
| **III. Total working capital requirements (A - B)** | **40,031.01** | **53,299.15** | **67,370.62** |
| **Proposed funding pattern** | | | |
| Working capital funding from banks | | | |
| Net Proceeds from Issue | 10,000.00 | 40,000.00 | 10,000.00 |
| Internal accruals / general corporate funds | 30,031.01 | 13,299.15 | 57,370.62 |

**Basis of Estimation**

| Particulars | Holding Level as of March 31, 2018 (A) (Number of Days) | Holding Level as of March 31, 2019 (E) (Number of Days) | Holding Level as of March 31, 2020 (E) (Number of Days) | Holding Level as of March 31, 2021 (E) (Number of Days) |
|---|---|---|---|---|
| Trade Receivables | 142 | 131 | 131 | 115 |

| Particulars | Holding Level as of March 31, 2018 (A) (Number of Days) | Holding Level as of March 31, 2019 (E) (Number of Days) | Holding Level as of March 31, 2020 (E) (Number of Days) | Holding Level as of March 31, 2021 (E) (Number of Days) |
|---|---|---|---|---|
| Trade payables | 57 | 52 | 50 | 49 |

*(A) - Actual as per Standalone financials, as restated*
*(E) - Estimated*

**Justification for holding period levels**

| | |
|---|---|
| Trade receivables | Our Company is presently giving a credit period of 120 to 150 days to its clients. It has been projected that a similar credit period would continue in the future years with a downward trend. |
| Trade payables | The management assumes the average holding period in case of payables to be around 40-50 days with certain exceptions such as salaries, rent etc. which cannot be deferred beyond a period of 30-35 days. Conversely, the payment of performance bonus has been assumed to accrue in the month of March thereby increasing the holding period by a few days for the month of March. |
| Cash and Cash equivalents | Our Company prefers to maintain cash and bank balances sufficient to pay the liabilities of 1-2 months to avoid liquidity problems. |

Our Company proposes to utilize ₹ 60,000.00 thousand of the Net Proceeds in fiscal 2019, 2020 and 2021, towards working capital requirements, for meeting our future business requirements.

Our Auditors have, pursuant to a certificate dated August 24, 2018, JHS & Associates, Chartered Accountants, have certified the working capital requirements of our Company. See "*Material Contracts and Documents for Inspection*" on page 408.

**3. General Corporate Purposes**

Our Company proposes to deploy the balance Net Proceeds aggregating ₹ [●] thousand towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds of the Issue, in compliance with SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceed may include expenses towards funding growth opportunities, meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by the Board of Directors or a duly appointed committee from time to time, subject to compliance with necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board of Directors and subject to applicable laws, will have flexibility in utilising surplus amounts, if any.

**Issue Expenses**

The total expenses of the Issue are estimated to be approximately ₹ [●] thousand. The Issue related expenses include fees payable to the BRLM and legal counsels, fees payable to the auditors, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The estimated Issue expenses are as under:

| Activity | Estimated expenses[(1)] (₹ in thousand) | As a % of the total estimated Issue expenses[(1)] | As a % of the total Issue Size[(1)] |
|---|---|---|---|
| Fees payable to BRLM and underwriting | [●] | [●] | [●] |

| Activity | Estimated expenses[(1)] (₹ in thousand) | As a % of the total estimated Issue expenses[(1)] | As a % of the total Issue Size[(1)] |
|---|---|---|---|
| commission, brokerage and selling commission | | | |
| Commission/processing fee to the SCSBs for processing Bid cum Application Forms procured by Syndicate/Sub Syndicate or procured by Non-Syndicate Registered Brokers and submitted to SCSBs [2) and (3)] | [●] | [●] | [●] |
| Brokerage and selling commission for Non-Syndicate Registered Brokers [4)] | [●] | [●] | [●] |
| Advertising and marketing expenses | [●] | [●] | [●] |
| Fees to the Registrar to the Issue | [●] | [●] | [●] |
| Other advisors to the Issue (including lawyers, auditors, etc.) | [●] | [●] | [●] |
| Listing fees and other regulatory expenses | [●] | [●] | [●] |
| Miscellaneous | [●] | [●] | [●] |
| **Total estimated Issue expenses** | [●] | [●] | [●] |

*1. To be determined on finalization of the Issue Price and updated in the Prospectus prior to filing with the RoC.*
*2. SCSBs will be entitled to a processing fee of ₹ [●] per ASBA Form for processing the ASBA Forms procured by members of the Syndicate, Brokers, sub-syndicate / agents, Registered Brokers, RTAs or CDPs and submitted to the SCSBs*
*3. Members of the Syndicate, RTAs, CDPs and SCSBs (for the forms directly procured by them) will be entitled to selling commission as below:*

| | |
|---|---|
| *Portion for Retail Individual Bidders:* | *[●]% of the Amount Allotted** |
| *Portion for Non-Institutional Bidders:* | *[●]% of the Amount Allotted** |

*4. Registered Brokers will be entitled to a commission of ₹ [●] per every valid ASBA Form submitted to them and uploaded on the electronic bidding system of the Stock Exchanges*
*5. All of the above are exclusive of applicable taxes*
**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

**Bridge Financing**

Our Company has not raised any bridge loans from any banks or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

**Interim Use of Net Proceeds**

Pending utilization for the purposes described above, we intend to temporarily invest the Net Proceeds in deposits only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board.

Further, in accordance with Section 27 of the Companies Act 2013, our Company confirms that pending utilisation of the Net Proceeds, it shall not use the funds for any buying, trading or otherwise dealing in any equity or equity linked securities of any listed company or for any investment in the equity market.

**Appraising Entity**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency, including any bank or finance institutions.

**Monitoring Agency**

There is no requirement for appointment of a monitoring agency for the purposes of the Issue, in terms of Regulation 16 of the SEBI ICDR Regulations, as the size of the Issue is less than ₹ 1,000,000 thousand. Our Audit Committee shall monitor the utilization of the proceeds of the Issue. We will disclose the utilization of the Net Proceeds, including interim use, under a separate head specifying the purpose for which such proceeds have been utilized along with details, if any in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue in our balance sheet for the relevant financial years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee, the uses and applications of the Net Proceeds on a quarterly basis. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

**Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without being authorised to do so by our Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act, 2013 and the rules prescribed therein. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Kannada, the vernacular language of the jurisdiction where our Registered Office is located. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, at a price and in such manner as may be prescribed by SEBI in Chapter VI-A of the SEBI ICDR Regulations.

**Other Confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, our Directors or our Key Management Personnel. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoters, Promoter Group, our Directors or our Key Management Personnel.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is ₹ 10 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also see "*Risk Factors*", "*Our Business*", and "*Financial Statements*" on pages 16, 110 and 150, respectively, to have an informed view before making an investment decision.

**Qualitative Factors**

Some of the qualitative factors and our strengths which form the basis for the Issue Price are:

- End to end solutions support
- Accessibility to domain experts
- Organisational structure that enhances client service
- Experienced management and entrepreneurial culture

For further details, see "*Risk Factors*" and "*Our Business – Strengths*" on pages 16 and 110, respectively.

**Quantitative Factors**

The information presented below relating to our Company is based on the Restated Consolidated Financial Statements and Restated Standalone Financial Statements. For details, see "*Financial Statements*" on page 150.

Notes: The accounting ratios shown below are after taking into account the impact of the following corporate action completed post March 31, 2018:

*i. The Shareholders of the Company, vide a resolution dated July 28, 2018 accorded their consent to bonus issue in the proportion of 55 Equity Shares for every 100 Equity Shares held by the Shareholders. Consequently, 3,620,725 Equity Shares were allotted to 50 allottees and the cumulative number of equity shares has increased to 10,203,856 Equity Shares.*

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

**1. Basic and Diluted Earnings/Loss per Share ("EPS")**

As per our Restated Standalone Financial Statements:

| Year/Period ended | Basic EPS (in ₹) | Diluted EPS (in ₹) | Weight |
|---|---|---|---|
| March 31, 2018 | (3.72) | (3.72) | 3 |
| March 31, 2017 | (5.18) | (5.18) | 2 |
| March 31, 2016 | (4.62) | (4.62) | 1 |
| **Weighted Average** | **(4.36)** | **(4.36)** | |

As per our Restated Consolidated Financial Statements:#

| Year/Period ended | Basic EPS (in ₹) | Diluted EPS (in ₹) | Weight |
|---|---|---|---|
| March 31, 2018 | (3.72) | (3.72) | 2 |
| March 31, 2017 | (5.18) | (5.18) | 1 |
| **Weighted Average** | **(4.21)** | **(4.21)** | |

*# Since there were no subsidiaries, associates or joint ventures, no consolidated financials were prepared for the period ended March 31, 2016.*

Basic earnings per share (₹) = Net profit as restated, attributable to equity shareholders / Weighted average number of equity shares

Diluted earnings per share (₹) = Net profit as restated, attributable to equity shareholders / Weighted average number of dilutive equity shares

**Notes:**

i. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the 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.*

ii. *The Company does not have any dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the company remains the same.*

iii. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]*

iv. *The face value of each Equity Share is ₹ 10.*

2. **Price Earning Ratio (P/E) in relation to the Price Band of ₹ [●] to [●] per Equity Share.**

| Particulars | As per our Restated Standalone Financial Statements | As per our Restated Consolidated Financial Statements |
|---|---|---|
| P/E ratio based on Basic EPS for the financial year ended March 31, 2018 at the Floor Price | **[●]** | **[●]** |
| P/E ratio based on Diluted EPS for the financial year ended March 31, 2018 at the Floor Price | **[●]** | **[●]** |
| P/E ratio based on Basic EPS for the financial year ended March 31, 2018 at the Cap Price | **[●]** | **[●]** |
| P/E ratio based on Diluted EPS for the financial year ended March 31, 2018 at the Cap Price | **[●]** | **[●]** |

**Industry P/E ratio***

There are no listed peers in India which are engaged in a similar line of business or whose business is comparable with that of our business.

**Average Return on Net worth ("RoNW")**

**3. Return on net worth as per Restated Standalone Financial Statements of our Company:**

As per our Restated Standalone Financial Statements:

| Year/Period ended | RoNW (%) | Weight |
|---|---|---|
| March 31, 2018 | (21.69)% | 3 |
| March 31, 2017 | (35.38)% | 2 |
| March 31, 2016 | (114.84)% | 1 |
| **Weighted Average** | **(41.78)%** | |

As per our Restated Consolidated Financial Statements:

| Year/Period ended | RoNW (%) | Weight |
|---|---|---|
| March 31, 2018 | (21.69)% | 2 |
| March 31, 2017 | (43.23)% | 1 |
| **Weighted Average** | **(28.87)%** | |

*# Since there were no subsidiaries, associates or joint ventures, no consolidated financials were prepared for the period ended March 31, 2016.*

*Return on Networth (%) = Net Profit after tax as restated*
*Average Networth as restated*

**Notes:**

*i. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the 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.*

*ii. Average Net worth means average of the opening and closing net worth for the year.*

*iii. Net worth has been computed as the aggregate of share capital and other equity as restated.*

**4. Minimum Return on Total Net Worth after Issue needed to maintain pre-Issue EPS for the fiscal year ended March 31, 2018**

**a. For Basic EPS**

| Particulars | Standalone (%) | Consolidated (%) |
|---|---|---|
| At the Floor Price | **[●]** | **[●]** |
| At the Cap Price | **[●]** | **[●]** |

**b. For Diluted EPS**

| Particulars | Standalone (%) | Consolidated (%) |
|---|---|---|
| At the Floor Price | **[●]** | **[●]** |
| At the Cap Price | **[●]** | **[●]** |

**5. Net Asset Value (NAV) per Equity Share**

| NAV | Standalone (₹) | Consolidated (₹) |
|---|---|---|
| As on March 31, 2018 | 29.30 | 29.30 |
| After the Issue | | |
| - At the Floor Price | **[●]** | **[●]** |
| - At the Cap Price | **[●]** | **[●]** |
| Issue Price | **[●]** | **[●]** |

Net Asset Value Per Equity Share = Net worth as restated, at the end of the year
Number of equity shares outstanding at the end of the year

***Notes:***

*i. Issue Price per Equity Share will be determined on conclusion of the Book Building Process.*

**6. Comparison with Listed Industry Peers**

There are no listed peers in India which are engaged in a similar line of business or whose business is comparable with that of our business.

**7. The Issue Price will be [●] times of the face value of the Equity Shares**

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM on the basis of assessment of demand from investors for the Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", *Management's Discussion and Analysis of Financial Condition and Results of Operations"* and "*Financial Statements*" on pages 16, 110, 280 and 150 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "*Risk Factors*" and you may lose all or part of your investments.

## STATEMENT OF TAX BENEFITS

To,

**The Board of Directors**
**Xelpmoc Design and Tech Limited**
#17, 4th Floor, Agies Building
1st 'A' Cross, 5th Block
Koramangala
Bengaluru - 560 034
Karnataka, India.

Dear Sir(s):

**Sub: Proposed initial public offering of equity shares of ₹ 10 each (the "Equity Shares") of Xelpmoc Design and Tech Limited (the "Company" and such offering, the "Issue")**

We report that the enclosed statement in **Annexure A**, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Tax Act, 1961 ('Act'), as amended by the Finance Act, 2018 i.e. applicable for FY 2018-19 (AY 2019-20), and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement.

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; or

ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

Your sincerely,

**For JHS & Associates LLP**
**Chartered Accountants**
ICAI Firm Registration No.: FRN133288W

**Partner:** Huzeifa Unwala
Membership No: 105711
Place: Mumbai
Date: August 24, 2018

**ANNEXURE A 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 the Company and its shareholders under the Income-tax Act, 1961 ("the Act") as amended by the Finance Act 2018, i.e. applicable for the Financial Year 2018-2019 relevant to the assessment year 2019-2020, presently in force in India.

**1. Special tax benefits available to the Company**

There are no special tax benefits available to the Company.

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

**There are no special tax benefits available to the shareholders for investing in the shares of the Company.**

## SECTION IV – ABOUT THE COMPANY

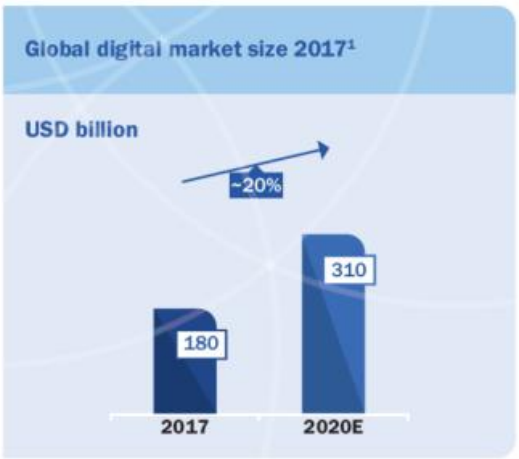
## INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section is obtained or extracted from "The IT-BPM Sector in India 2018 – Strategic Review" dated February 2018 (the "**Nasscom Report**") prepared and issued by National Association of Software and Service Companies ("**Nasscom**"). Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. 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 Information Technology – Business Process Management (IT-BPM) Industry**

The global cyclical upswing that began midway through 2016 continues to gather strength. Business environment is going through fundamental shifts as financial conditions remain buoyant across the world. The positive developments give good cause for greater confidence and have begun creating a marked shift in the BPM market which has been driven by the increasing use of automation and digital transformation. Increased activity in 'high value services', analytics and redesign of existing processes drives spend and sourcing growth.

In 2017, the global IT-BPM industry stood at USD 1.3 trillion (excluding hardware) showing a growth of 4.3% over 2016. According to the Nasscom Report, information technology (IT) services grew a modest 2.4% driven by the continuous need for digital solutions. Business process management (BPM) saw greater implementations of robotic process automation. In addition, packaged software was the fastest growth segment with software as a service (SaaS) driving growth especially freight management systems, human capital management and analytics. The hardware segment grew 1.5% to cross USD 1 trillion. Global engineering research and development spend saw a decent 3.2% growth (as compared to previous two years which saw more or less flat growth). The push for autonomous vehicles and equipment, connectivity and smart products were key growth drivers. IT services are being driven by continued demand for digital solutions. The banking financial services and insurance and manufacturing sectors lead IT spend with a focus on digital transformation. Going forward, telecom, government, professional services are expected to up IT purchases.




*Source: Nasscom Report*
*1. Includes global sourced services spend (IT, BPM, and interactive for third parties and GICs)*

Global sourcing growth outperformed global IT-BPM spend growth in 2017, global sourcing grew 1.4X to reach USD 185-190 billion. India continued as the world's No.1 sourcing destination with a share of 55%. In 2017, 271 new global delivery centres were set up worldwide (by US headquartered firms) and India accounted for 24% share and Europe accounted for 29% share.

**India's IT-BPM Industry**

According to the Nasscom Report, India's IT-BPM industry is set to grow approximately 8% in FY2018, from USD 154 billion in FY2017 to USD 167 billion (excluding ecommerce), an addition of USD 12 billion.

Share in total service exports is estimated at over 45% and the industry's contribution relative to India's GDP is approximately 7.9%. Overall, the industry is estimated to employ 3.97 million people, an addition of 105,000 people over FY2017.

The industry comprises over 17,000 firms that offer a complete range of services. In the age of digital technologies, the industry has been adept at building the necessary skills and capabilities to address new and changing customer demands. Over the past few years, firms have made substantial investments in building their portfolio of capabilities around these technologies and have set up a number of labs and centres of excellence to deliver digital services to customers. Consequently, the industry is now well equipped to manage the stage of bi-modal IT. While currently the traditional services (infrastructure services outsourcing, custom application development/management, software testing, finance and accounting and human resource outsourcing) continue to have a major share of revenue (approximately 80%), the share of digital revenue is increasing rapidly.

India's IT-BPM industry is worth USD 167 billion, employing around 4 million people. With a 55% global market share, the Indian IT-BPM industry is estimated to grow 8% in FY 2018. Significant growth is expected both internationally and domestically. IT-BPM exports are expected to reach USD 126 billion, a 7.7% growth over FY 2017.

| | Up to 2000 | 2000-2010 | 2010-2016 | 2017 onwards |
|---|---|---|---|---|
| Revenue[1] (USD billion) | >8 | ~78 | 154 | 167 |
| Employees[1] (million) | 0.34 | 2.3 | 3.86 | 3.97 |
| No. of firms[1] | ~2,000 | 10,000-12,000 | >16,000 | ~17,000 |
| GDP share[1] | 1.8% | 6.1% | 7.7%[3] | 7.9%[3] |
| Exports[2] share | 10.5% | 26% | 49% | >45% |
| Global sourcing[1] share | – | 47% | 55% | 55% |
| Digital revenue | – | – | 14% | 18-20% |
| Value addition | • Standardisation, productivity improvement<br>• Non-critical functions<br>• Project-based<br>• Fixed cost, T&M | • End-to-end services<br>• Non-linear growth<br>• Strategic partnerships<br>• Pay-as-you-use | • Bimodal IT<br>• Platform solutions<br>• Product-as-a-service<br>• Data monetisation | • Industrialisation of digital<br>• Personalised experiences<br>• Intelligent products, services<br>• IoT, cognitive, blockchain<br>• Autonomous, electrification, connected, shared mobility<br>• New business models |
| | Collaboration | Value addition | Digital Business | DIGITAL @ SCALE |
| Revenue per employee (USD '000) | ~17 | ~30 | 40 | 42 |

*Source: Nasscom Report*
*1. Data given for FY2000, FY2010, FY2017, FY2018*
*2. Share in total services exports*
*3. World Bank has revised its base from 2005 to 2010; hence, the change in % share vis-à-vis previous years*

With changes in the global technology landscape, India's IT-BPM scenario is also changing to keep with the times. While the composition of players in terms on number of firms has not changed much, the profile of these firms is most certainly becoming digital. New startups set up are also digital first firms. Many of the old economy companies are making digital mainstream. Global in-house centres (GICs) in India, both existing and new centres, are increasingly being set-up as niche centres of excellence. Consequently, the portfolio of services being offered is shifting decisively towards digital offerings. New products, services and platforms are digital; traditional businesses are seeing digitisation, automation & accelerators, respectively. These trends are further substantiated by the rising share of digital revenue of the industry – from approximately 4% in 2014, companies are reporting anywhere between 18-20% share of revenue from digital services. This share is expected to further increase to 38% by 2025.

***IT-BPM Export Market***

In FY2018, IT-BPM exports from India are expected to reach USD 126 billion, a 7.7% growth over FY2017 and an addition of USD 9 billion. Engineering, research and development (ER&D) and product development continues to be the fastest growing segment at 12.8% driven by the demand for autonomous, electrification, connectivity and shared mobility. IT services continued to retain its share of 55%; BPM, 23% and ER&D and packaged software

accounted for 22%. IT services is growing at approximately 6% driven by growth in software testing and infrastructure services outsourcing (hosted applications). BPM exports expected to grow faster vis-à-vis FY2017, at 8%; analytics, robotic process automation, chat-bots emerging as areas of growth.

*Source: Nasscom Report*

On an average, all regions expected to see growth of over 7.5%; however, continental Europe is the fastest growing at 8%. Between them, USA and Europe (including the UK) account for about 90% share of exports.

***IT-BPM Domestic Market***

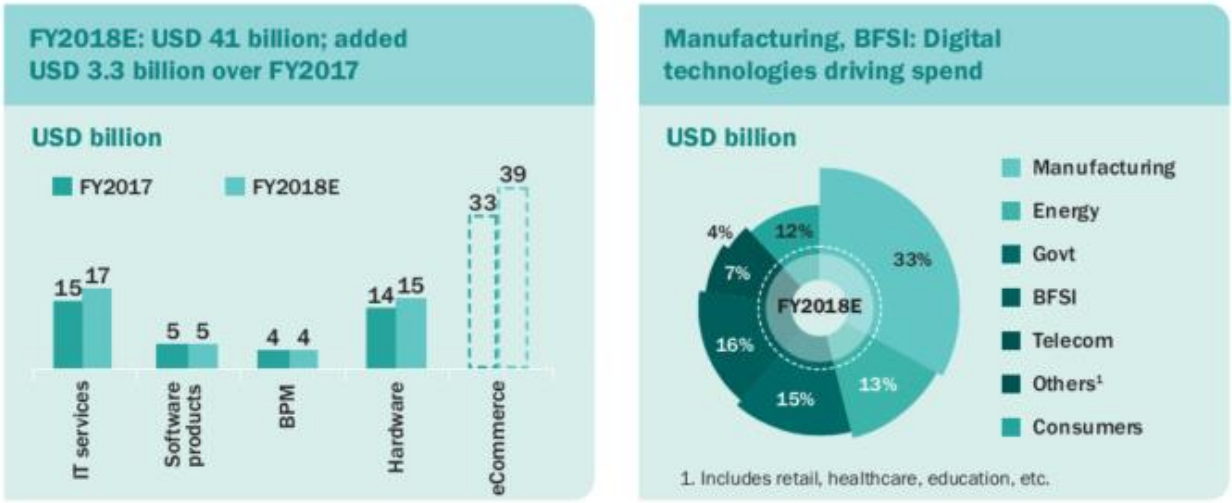
Domestic IT-BPM industry is also seeing continued growth as various government initiatives encourage technology usage (push factor) and Indian enterprises across industries are rapidly implementing digital technologies to adapt to a changing competitive landscape and the ever-demanding customers:

*Government:* Technology adoption for its citizen and inter-departmental services through its e-Gov initiatives, Aadhar (for transparency), goods and services tax network (tax reform), internet infrastructure (wi-fi hotspots) and demonetisation (online payments).

*Enterprises*: Banks (mobile wallets / mobile banking for greater financial inclusion); digital marketing for customer engagement; online payment platforms (utilities); big data analytics (fast-moving consumer goods, media and entertainment); automotive (Bharat Stage IV/VI models, electric vehicles / autonomous/connected vehicles).

*Smart projects*: Smart cities, transportation, utilities, buildings, etc. driving demand for Internet of Things, analytics and green-tech.

*Consumers*: India is a growing internet (2016 market size: USD 100-130 billion) and app (2016: USD 21 billion) economy. India is the world's 2nd largest in terms of number app downloads (11+ billion in 2017, a 215% growth over 2016. Internet subscribers stood at approximately 465 million in 2017.




E: Estimate

*Source: Nasscom Report*

**Start-up Ecosystem in India**

India continues to be the world's 3rd largest startup ecosystem with over 5,000 startups in 2017 and growing at 7% in the last year. While Bangalore, National Capital Region and Mumbai are the leading startup locations, Tier II and III cities are emerging hubs and today, they are home to 20% of all start-ups in India.

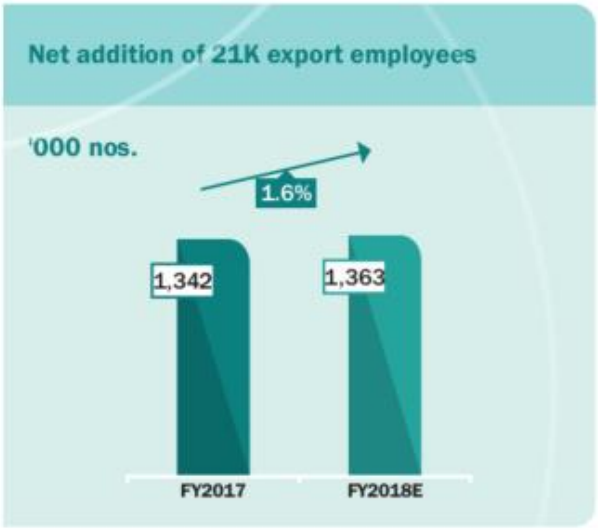
Business-to-consumer start-ups continue to garner higher funding and valuations; business-to-business (B2B) start-ups have lower mortality rate and constituted 47% of new start-ups in 2017. Fintech and health-tech are the largest and fastest growing segments among B2B start-ups. Over 700 start-ups are currently focusing on advanced technologies (artificial intelligence, analytics and blockchain) and have grown 30% in the last five years. Over 300 start-ups are actively solving India specific challenges in healthcare, education, financial inclusion, clean energy and agriculture.

Continued growth in incubators and accelerators (up by 36%) and corporate innovation programs (over 50) across co-innovation, corporate accelerators and venture funds fuel growth and help start-ups mature. Decrease in overall funding and increased unicorn funding in 2017 points towards a shift in investor focus from seed stage to early/growth stage start-ups.

Overall, the Indian start-up ecosystem seems to have come of age and embraced the shift from quantity to quality and poised to capture growth opportunities from increased consumer demand, connected ecosystems and ever growing government push.

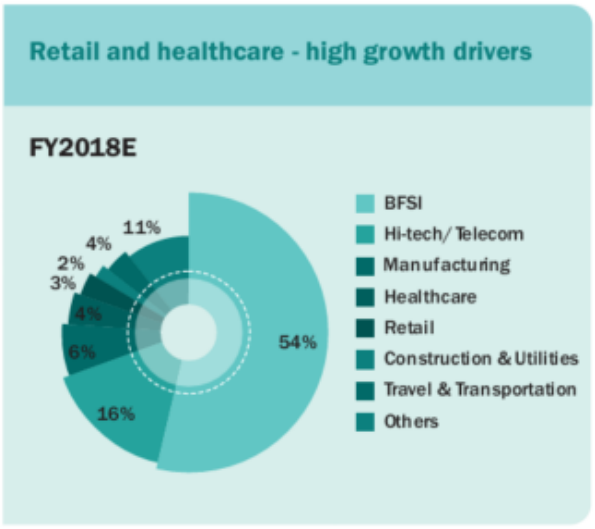
**Indian IT Services**

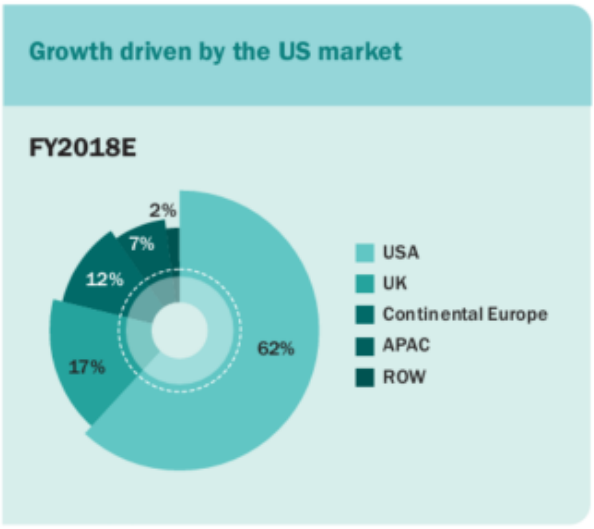
The IT services sector in India is expected to touch revenues worth USD 86 billion in FY2018, with a growth rate of nearly 7% over FY2017. Of the total Indian IT services market in FY2018, contribution of the exports revenue is 80%, while the remaining 20% is attributed to domestic clients. IT services exports segment has added over 20,000 employees in FY2018, at a growth rate of 1.6% over the previous year. The IT services employee base accounts for 34% of the total IT-BPM employee base.




*Source: Nasscom Report*

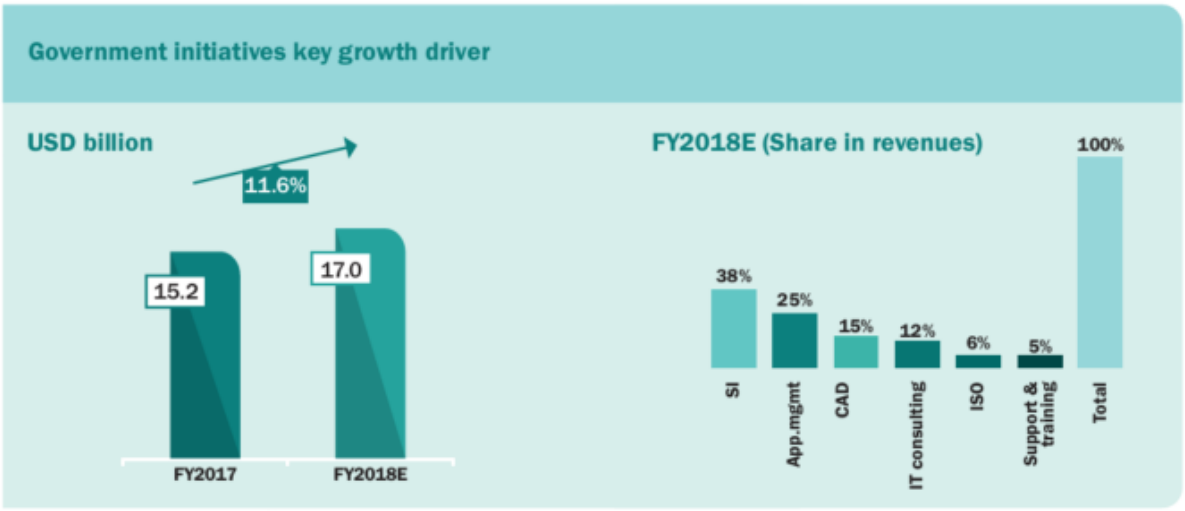
The IT services segment aggregated export revenues of USD 69 billion in FY2018, accounting for 55% of total exports, a growth of nearly 6% over FY2017. IT outsourcing exhibited strong growth, driven by increased spend in infrastructure services outsourcing, software testing and custom application development and management. The vertical market was driven by emerging verticals of healthcare, retail and utilities, even as the traditional verticals like
BFSI and manufacturing continued to be the largest shareholders.




*Source: Nasscom Report*

Domestic IT services grew by 11.6% to reach USD 17 billion driven by infrastructure services outsourcing, cloud services and increasing adoption from all customer segments – government, enterprise, consumers and small and medium businesses. The governments' digital India and e-governance agenda has given a fill-up to the domestic sector in an enormous way.




*Source: Nasscom Report*

**India as a Digital Economy**

India is on track to be a trillion dollar digital economy backed by government's inclusive approach and private sector participation. Growing access to internet in both urban as well as rural areas, ambitions e-governance projects, continued focus on skill development and growing digital transactions are just some of the indicators of rapid growth of the India's digital economy.

Most Indian enterprises are in early phases of digital transformation (DX) with wide variations across the board.

Public listed large Indian enterprises generate revenues equivalent to 40% of India's GDP but vary greatly with respect to their digital investments. B2C industries like banks, etailers and telecom are already leveraging digital to offer differentiated customer services and have brought down their operational costs to serve the highly demanding and cost conscious Indian customers. On the other hand, hospitals, education providers and small scale manufacturers who see immense potential from digital but lack both resources and the strategy to deal with the changing tech scenarios.

Rising customer expectation and unlocking new revenue streams are the top two drivers for enterprise digital transformation in India. Understanding customer and creating efficient operational processes key to create a differentiated customer experience and being able to go-to-market faster than competition.

***Infrastructure***

Through digital infrastructure, the government aims to provide better quality of life, a sustainable environment, and 'smart' IT solutions to citizens by building 100 Smart cities, creating opportunities for start-ups and SMEs with focus on providing internet and various technological applications. The internet economy is expected to contribute 7.5% to India's GDP by 2020, up from 5% in 2016. Access to internet is growing due to falling data tariffs and increased competition. India is the fourth-largest app economy, globally and ranked 2$^{nd}$ by the number of downloads. The government announced nine additional smart cities in January 2018.

***Business***

The goods and service tax network has been established with an objective of providing common and shared IT infrastructure and services to all the stakeholders for implementation of the goods and services tax. Of the 7.23 million indirect tax payers until August 2017, 81% were registered on the goods and service tax network. An e-way bill system is proposed to be introduced nationwide to eliminate state-wise documentation. The government also plans to launch GeM (an ecommerce platform) in its full form in 2018.

***Skilling***

Digital skilling initiatives are aimed at empowering citizens with the know-how of using IT and mobile devices. The government aims to empower at least one person per household with digital literacy skills by 2020. The Pradhan Mantri Gramin Digital Saksharta Abhiyan has a target to educate 60 million rural households by March 2019. In addition, SWAYAM – an IT platform – will host 2,000 courses and 80,000 hours of learning, covering various school level and professional courses. Key private sector initiatives include 'Code Unnati', 'Internet Saathi' and 'World on Wheels'.

***Digital Payment***

The government has a strong focus on transforming the country into a cash-less economy. Active participation of private sector is fueling the growth of digital payments. Digital transactions as percentage of GDP are expected to increase from 5% in FY2017 to 20% in FY2027. Mobile-wallet transaction value stood at ₹ 793 billion during the first quarter of FY2018. Share of UPI, wallets and Rupay debit cards in total digital transactions is likely to increase from approximately 15% in 2017 to 65% - 70% in 2027.

***Digital Citizens***

The mission is to ensure a government-wide transformation by delivering key government services electronically to citizens through integrated and interoperable systems via multiple modes. About 35 million e-governance transactions per day in 2017, up from 30 million transactions per day in 2016.

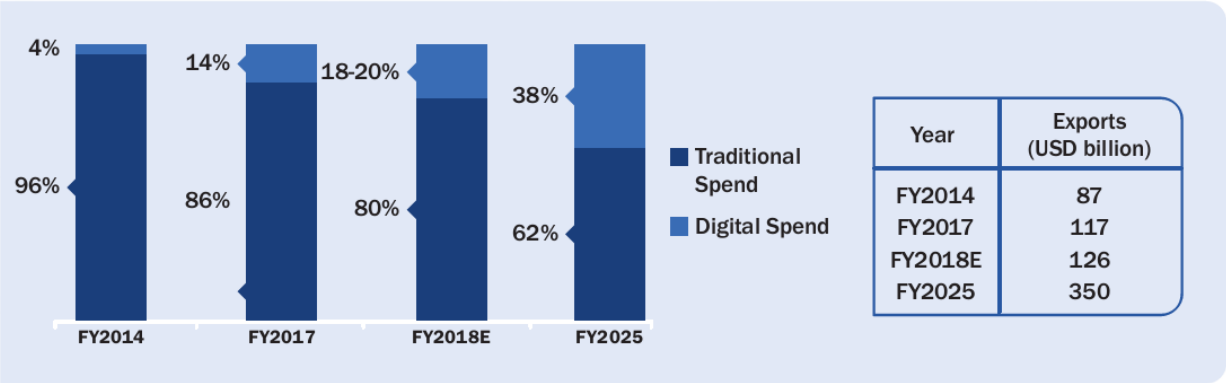
***Key Takeaways***

Growing internet access is boosting India's internet economy, and is expected to contribute 7.5% to India's GDP by 2020. Most of the government spending is focused on building digital infrastructure (network, devices, data storage and data protocol) necessary for the functioning of the internet economy. The government's drive to push India's internet economy is expected to gain momentum as the government is opening the doors for public–private partnerships. However, cyber security issues due to substantial data generated, IoT security, Smart Cities security and cloud security are likely to be major challenges.

For IT companies, rising cyber security concerns will create opportunities for cyber security companies. Growing demand for big data and analytics services as the country becomes data rich. Increasing focus on open source software is likely to promote public-private partnerships. For SMEs/start-ups, falling digital infrastructure cost will attract more start-ups to enter the market. The government is likely to develop policies and standards for cloud data and cyber security and focus on public-private partnerships for skills acquisition and faster completion of allocated work.

**India as a Digital Solutions Partner**

Indian providers' contribution to digital has been consistently growing faster than global growth rate of enterprise digital spend. India also has one of the largest population of digitally trained workforce. Almost 75% of global digital talent is based in India. Indian IT-BPM firms have been reporting 18-20% share of digital revenue in total.

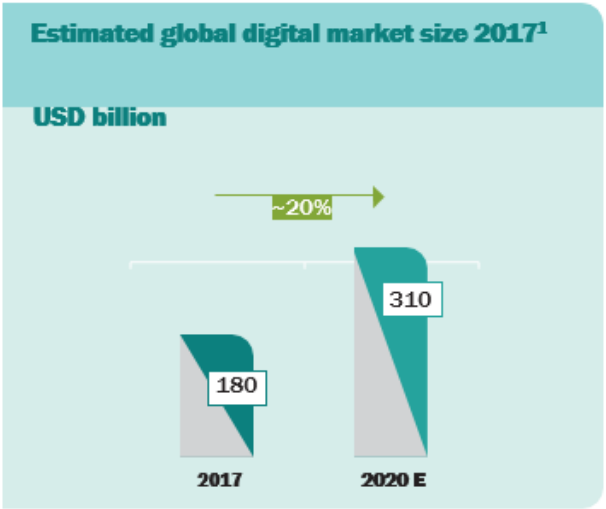


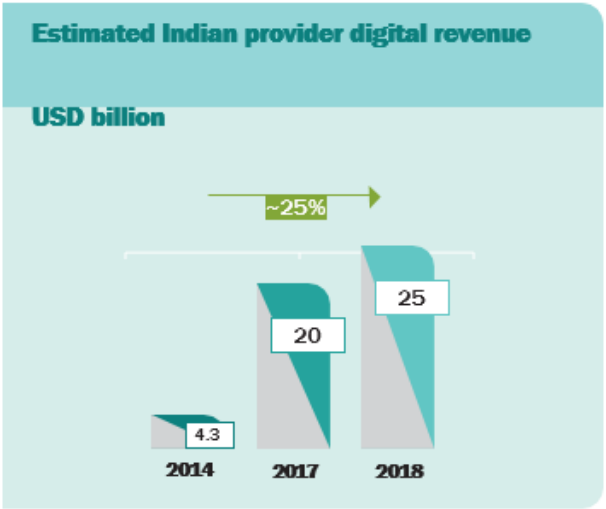

| Year | Exports (USD billion) |
|---|---|
| FY2014 | 87 |
| FY2017 | 117 |
| FY2018E | 126 |
| FY2025 | 350 |

*Source: Nasscom Report*

Demand for digital services is also picking up in the APAC region and enterprises are leveraging digital technologies for enhancing customer experience, improving back-office and mid-office efficiency, and for channel transformation.

Indian providers are growing the proportions of digital business at a faster pace than global enterprises.




*Source: Nasscom Report*

Providers with investments in the three processes listed below have collectively resulted in improved outcomes for clients:

***People & Processes***

Rapidly expanding talent pool for digital services, with 450,000-500,000 full-time employees. Providers are actively investing in India-based talent to deliver digital engagements to clients globally and setting up innovation labs and design centers to further digital processes and operation.

***Technology***

India has become a hotbed for innovation and providers are investing in digital IP, solutions, and centres of excellence.

***Ecosystems***

Providers are investing in strategic partnerships and mergers and acquisitions to acquire next-gen digital capabilities and niche digital talent.

## OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 14 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors" on page 16 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year, except that references to Fiscal 2016 are to the period commencing from September 16, 2015, i.e., the date when our Company was incorporated, to March 31, 2016.*

*Until Fiscal 2016, our Company did not have any subsidiaries, associates and joint ventures, and no consolidated financial statements were prepared. In Fiscal 2017 and Fiscal 2018 we carried out certain investments and such investee entities have been considered for the purpose of preparing our Restated Consolidated Financial Statements for the relevant fiscal years in accordance with Ind AS 110. For further information, see "Management's Discussion and Analysis of Financial Statements – Presentation of Financial Information and Investments" on page 280. Accordingly, our Restated Consolidated Financial Statements relating to such fiscal periods are not comparable to each other.*

*In this Draft Red Herring Prospectus, we have not included any pro forma profit and loss statement or balance sheet statement, as applicable, prepared in accordance with the laws and regulations of the United States, India or any other jurisdiction, which would have shown the effect of such investments completed in Fiscal 2017, Fiscal 2018 or that completed subsequent to March 31, 2018 on our historical results of operations and financial condition.*

*Unless the context otherwise requires, in this section, references to "we", "us", "our", or "Company" refers to Xelpmoc Design & Tech Limited on a standalone basis in Fiscal 2016 and on a consolidated basis in Fiscal 2017 and Fiscal 2018.*

### Overview

We are a provider of professional and technical consulting services, offering technology services and end-to-end technology solutions and support. Our clients range from entrepreneurs and start-up enterprises to established companies, engaged in e-commerce, transportation and logistics, recruitment, financial services, social networking, and various other industries. We provide a wide range of services, including, mobile and web application development, prototype development, thematic product development and data science and analytics assistance. We grow our portfolio of services and products as the needs of our clients evolve.

We commenced operations in Bengaluru, India, in 2015 and have since serviced enterprises across four states in India. Our business operations may broadly be categorized as technology services, and technology solutions/ products. We also occasionally provide business support to some of our clients to enable them to set-up their operations. We believe we are among the few technology service providers with accessibility to domain experts. We benefit from the expertise and experience of our Promoters and senior management in a range of sectors including financial services, retail, media and entertainment, and business services. We also carry out our operations through our joint venture and associate. For further information, see "*History and Certain Corporate Matters*" on page 122.

Our Company is promoted by Sandipan Chattopadhyay, who has around two decades of experience in the information technology industry, Srinivas Koora, who has over 16 years of experience in the field of accounts and finance and is primarily responsible for devising the strategy for our Company, and Jaison Jose who has been instrumental for the implementation of operational plans, operation strategies, budgets and forecasts at the corporate, regional and business unit level.

In Fiscal 2016, 2017 and 2018 our total income was ₹ 208.33 thousand, ₹ 19,235.47 thousand and ₹ 49,310.38 thousand, respectively. In addition, our EBITDA was ₹ (16,422.88) thousand, ₹ (27,540.99) thousand and ₹ (34,491.92) thousand in Fiscal 2016, 2017 and 2018, with EBITDA margins of 7,882.99%, 143.18% and 69.95%,

respectively. Our net worth was ₹ 29,137.37 thousand, ₹ 132,130.96 thousand and ₹ 190,960.03 thousand as of March 31, 2016, 2017 and 2018, respectively.

**Our Competitive Strengths**

***End-to-end solutions and support***

Our range of end-to-end technology-based products, services and solutions comprises technology products and systems, integration solutions and infrastructure management services. We have, since incorporation, expanded our offerings to include data science capabilities, query optimization and rapid iteration services. We focus on updating our service offerings to meet the evolving needs of our clients. With the launch of our technology products vertical, we have further strengthened our offerings in the solution space. We also provide services to certain government organizations, including services to enhance and upgrade technology applications and infrastructure requirements. We also offer a range of services to entrepreneurs to support their ventures. These offerings enable newly incorporated companies to scale up their business with minimum internal resource consumption. We believe our range of products, services and solutions enables us to broaden our offerings for potential clients, deepen our relationships with existing clients and diversify our revenue base.

***Accessibility to domain experts***

We believe we are among the few technology service providers with accessibility to domain experts. We benefit from the expertise and experience of our founders/ senior management in a range of sectors including financial services, retail, media and entertainment, and business services. This provides us with the benefit of strong domain experience and understanding of businesses that operate in these verticals, which assists us in developing and delivering services and solutions that benefit our clients in these verticals. We believe this is our key strength and forms the core of our business model.

This is supplemented by the knowledge sharing of subject matter experts from across industries. As of June 30, 2018, we have developed a network of four independent experts that are engaged with us as consultants for these industries, to facilitate the development of solutions driven by business context and domain knowledge. Through our domain experts, we are able to guide our clients on the need for certain types of technology and data driven services for their businesses, along with our ability to provide such services. We believe we are able to capitalize on strategic opportunities due to our access to domain and industry knowledge.

***Organization structure that enhances client service***

Our business is structured based on service offerings. This enables clients to access the entire platform of services we offer along with professionals within those service verticals, regardless of the location of the project. We focus on building relationship-based interactions between our key employees and our clients, to promote long-term client relationships. In addition, we believe our vertical structure encourages entrepreneurialism among our professionals. Our integrated platform of services also allows us to contain development and maintenance costs for our clients as we are able to leverage on our shared expertise and resources to provide multiple services to each client. We believe we have built a strong domain orientation across our business verticals in the way we approach our clients with solutions to their business objectives and the way we deliver services to them.

***Experienced management and entrepreneurial culture***

We have an experienced management team with four members of our senior management having worked at senior management levels in established companies across various industries. Our Company is promoted by Sandipan Chattopadhyay, Srinivas Koora and Jaison Jose. Sandipan Chattopadhyay holds a degree of Bachelor of Statistics (Honors) from the Indian Statistical Institute, Calcutta and a Post Graduate Diploma in Computer Aided Management from the Indian Institute of Management, Kolkata. He has around two decades of experience in the information technology industry. Srinivas Koora holds a degree of Bachelor of Commerce from the Osmania University. He also holds a degree of Master of Business Administration from Swami Ramanand Teerth Marathwada University, Nanded. He is primarily responsible for all aspects of finance, investor relations, fund raising, controlling, accounting, financial reporting, tax compliance, financial systems implementation, and devising

the strategy for our Company. He has more than 16 years of experience in the field of accounts and finance. Jaison Jose holds a degree of Master of Commerce (External) as well as a degree of Master of Marketing Management from Mumbai University. He is primarily responsible for the implementation of operational plans, operation strategies, budgets and forecasts at the corporate, regional and business unit level.

We believe that our senior management has pioneered our growth and fostered a culture of innovation, entrepreneurship and teamwork within our organization. We have also developed programs for identifying and developing future leadership. In addition, we endeavor to deliver quality service through our network of independent experts that are engaged with us as consultants on a part-time basis.

**Strategies**

***Grow our business by enhancing our technological capabilities and expanding our domain expertise***

We have consistently increased our technological capabilities and expanded our domain expertise. Most recently, we have added capabilities including artificial intelligence, deep learning and data science. We intend to continue growing our existing technological capabilities and expanding our domain expertise by identifying sectors with growth potential and recruiting industry experts in such sectors who can add value to our products and solutions and help us gain credibility in the market.

***Expand our operations in other geographies***

We intend to leverage our existing business model in India to enter newer geographies such as Middle East and North Africa (MENA), Australia, United Kingdom, Asia Pacific and the United States. We intend to expand the volume of business from clients with a global presence by moving from being a services provider to an integrated enterprise-wide solutions provider. In particular, we have identified a need in developed markets, for support of enterprise level data and applications, and for decision support at the management level. In the MENA regions, we believe that our solutions designed for start-up enterprises for scaling up operations, as well as our technical and domain expertise, positions us strongly to take advantage of opportunities in these markets, and in the United States, we propose to tap into the market for technology solutions by implementing enterprise-level services. In addition, we propose to achieve our broad strategy of expanding our operations beyond India, by cross-selling add-on solutions to our base of existing clients with a global presence. We are also in the process of setting-up offices in other parts of India in order to be accessible to clients within and around these regions.

***Cross-sell and up-sell to our existing client base***

As of June 30, 2018, we serviced a client base of over 23 clients across four states in India. Repeat business and proposing new services and products to our existing clients constitutes an important revenue opportunity for us. As we add new offerings to our portfolio of products and services, we will seek to cross-sell and up-sell opportunities to our existing client base in order to further grow our operations.

***Continue to focus on public sector clients while building private sector client base***

We generate revenue from providing services to certain government organizations as well as private companies. We believe we are well positioned to address the challenges presented by the aging technology infrastructure present across public sector organizations, and aim to leverage our industry experience and knowledge to further develop this client base. We also propose to continue developing our business among companies engaged in the private sector. We seek to obtain additional clients in the private sector which typically experiences greater growth during times of economic expansion, by networking and monitoring private project databases.

***Strengthen and support our human capital***

Our experienced employees and management team are our most valuable resources. Attracting, training, and retaining key personnel has been and will remain critical to our success. To achieve our human capital goals, we

intend to remain focused on providing our personnel with entrepreneurial opportunities to expand our business within their areas of expertise. We will also continue to provide our personnel with personal and professional growth opportunities, including additional training and performance-based incentives such as opportunities for stock ownership.

***Evaluate strategic acquisition and alliance opportunities***

We intend to continue to explore and evaluate strategic acquisition and technology alliance opportunities to gain access to track record, add new technologies for our solutions, target new industry sectors and clients as well as drive synergies with our existing business ventures. In particular, we propose to adopt a multi-pronged approach to grow our business in emerging economies where although data awareness is gaining momentum, there is limited knowledge on the potential of digitization and the manner in which it can be achieved. We believe that standardized data services offered by established technology companies do not completely address these challenges for niche and nascent companies that require a customized approach, and concerns around the growing data privacy regimes discourage technology consultancy firms from engaging with smaller companies. We propose to target such companies and intend to achieve this by entering into strategic long term engagements through open technology stack, third party analytics integrations, providing system customization expertise and advisory services, empaneling data vendors and providing different services to clients at different levels of data-readiness in their respective businesses. Through our domain experts, we also aim to guide businesses on the potential of investing in data. We aim to strengthen our platform for exchange of industrial and academic knowledge by engaging in specialized projects and onboarding domain specialists. We believe this will help improve scalability of the businesses we associate with. We intend to evaluate potential opportunities and adopt a combination of technologies to appropriately service client requirements, with the aim to create a comprehensive data lake with the ability to support data in any form and process a range of requirements in a scalable manner.

**Business Operations**

Our operations can be broadly divided into two verticals: (i) technology services; and (ii) technology solutions/ products, aimed at serving a range of industries.

***Technology Services***

We provide technology services to companies that typically operate at a start-up level and intend to scale their operations. We also provide similar services to certain government organizations in India. These services primarily comprise deploying artificial intelligence, machine learning and other emerging tools.

We provide technology services by way of progressive app development, prototype development, thematic product development for international markets, modern frontend architecture, query optimization and rapid iteration. We also possess data science capabilities and offer designing, architecture and development of modern lake infrastructure. Set forth below is a brief description of each of these services:

*Thematic Product Development*

We offer development of desktop and mobile platforms for certain technology applications including for managing logistics requirements for a trucking company, operating job portals for a recruitment agency, and providing certain services to a sports venture. We undertake the development of platforms at scale, from the design stage to development, quality assurance, maintenance and upgradation.

*Progressive Web App (PWA) Development*

A PWA is a website that is designed to function as a mobile application in terms of size and accessibility. As mobile application experience is dependent on internet speeds, and user experiences are affected in situations with limited or insufficient internet connectivity, PWAs have been designed to address these and other issues.

We have the ability to build PWAs for mid to low range devices that are interactive to the user in a relatively short period of time despite being operated on a slow 3G network. We develop PWAs for clients and aim to address multiple issues that such client may be experiencing in their existing platform, including improving search response times, increasing typo tolerance, and optimizing instant search response times. We believe the use of our PWAs is especially relevant to entities that seek to engage with the rural or semi-urban population in India in tier 2 cities, where the internet speeds and overall technology infrastructure is not as advanced.

*Mobile App Development*

We have developed mobile applications that work in a robust manner to connectivity loss. We have also developed mobile applications across IOS and Android, using platform native technologies, which lets us build out solutions quickly and at a lower cost.

*Prototype Development*

We assist companies that intend to scale their operations efficiently by way of prototype development. We undertake prototyping from the design stage onwards to development and quality assurance.

As part of our data science services, we provide analytics solutions for clients. Our analytics solutions combine advanced predictive analytics, natural language processing and machine learning algorithms to attain actionable business insights and customer knowledge to help clients identify and drive growth opportunities. Our data science services typically involve identifying trends in consumer behavior, predicting revenue and demand and predicting inventory for efficient supply chain management.

*Query Optimization*

As part of our query optimization services, we profile existing queries that are expensive in order to recommend improvements. We also recommend changes to database architecture in order to fulfill speed requirements.

*Rapid Iteration*

We also perform rapid iteration services on a product in order to validate hypothesis, such that ideas can be tested with less up-front investment.

***Technology Solutions/ Products***

We develop a range of products that address various challenges that our clients experience across industries. The recent products we have been developing include a location decision system and a sentiment analysis tool. Our solutions for these assignments have typically been in the form of artificial intelligence (AI) driven tools. We also occasionally provide business and financial support to some of our clients to enable them to set-up their operations. These arrangements are typically in the form of master service agreements, under which we provide support services in exchange for fees or an equity stake in the entity. For further information on these agreements, see "*History and Certain Corporate Matters*" on page 122.

We have built a unique component library that allows us to quickly scale our projects without external dependencies. This also enables us to address comprehensive business requirements in real time, in addition to addressing the entire business cycle from transaction to analytics. Our product and solutions are sometimes pre-configured to meet various business and operational requirements across several industries.

*Data Science Capabilities*

We also offer designing, architecture and development of modern data lake infrastructure designed for agile data science using modern open source technologies to achieve performance and ease of use. Additionally, we focus on research and development on enhanced analytics using artificial intelligence and machine learning as well as layering insights for our messaging clients' ongoing campaigns. We consolidate publicly available data from various sources, as well as privately held/ proprietary data of clients, for them to analyse the data across their internal and

external system. In particular, our data science related offerings are targeted at growing businesses in emerging economies like India, where although data awareness is gaining momentum, there is limited knowledge on the potential of digitization and the manner in which it can be achieved.

As of June 30, 2018, our product development process is undertaken by a team of 40 developers and product managers. In addition to maintenance and enhancement of our existing services and products, the team routinely executes customizations required by clients.

**Delivery Model**

We have an integrated delivery model that allows us to service client requirements. Once the product/ solution has been developed, it is deployed onto a live server for access by the respective client.

We manage and staff our projects with the objective of efficiently meeting our client's objectives. Our project management skills have been strengthened through our client engagements, especially our extensive work on large, end-to-end projects and multi-location projects. We have a fully digitized process for managing delivery of projects, which enables more effective allocation and release of resources from projects.

**Data Privacy and Protection**

The provisions of the Information Technology Act, 2000, and the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**Privacy Rules**") apply to handling and storage of personal data. These Privacy Rules contain minimum standards for electronic transactions and code sets and for the privacy and security of sensitive personal data or information. The Privacy Rules, inter alia, require body corporates such as ours to adopt, and provide for a policy for privacy and disclosure of information that has been classified as personal. The Privacy Rules impose requirements on uses and disclosures of information; including contracting requirements for our business associate agreements. For further information on rules and regulations governing data privacy and protection in relation to our business operations, see "*Key Regulations and Policies*" on page 118.

**Research and Development**

In order to develop our products, which we believe, allows us to maintain technical control over the design and development of our products, we are required to incur R&D expenses on an on-going basis to enhance and upgrade our products and services based on changing clients' needs and industry requirements. We believe that the industry, in which we compete, witnesses rapid technological advances in hardware and software development and our emphasis on R&D is critical to remain abreast with technological developments, as well as cater to the evolving needs of our clients.

**Quality**

We have established a designated quality assurance and testing team of six members as of June 30, 2018, for testing and quality assurance purposes. We undertake testing and quality assurance exercises throughout the lifecycle of the project to ensure the solution we provide is error-free and that it operates in accordance with specifications.

**Sales and Marketing/ Business Development**

We sell our product and service offerings directly through our own team and as of June 30, 2018, we had a dedicated sales team of two employees. Our teams target certain industries and service offerings through focused sales initiatives. Our senior management is actively involved in managing client relationships and business development through targeted interaction with multiple contacts at different levels in the client organization. In addition, for strategic clients, an identified senior executive has responsibility for overall client development and leads periodic reviews with the client.

Our marketing initiatives include participating in events, sponsoring user group events and seminars, and participation in industry trade groups. We have regular contact with industry research organizations, and have

established relationships with academic institutions/ research institutes. In addition to enabling us to offer comprehensive solutions, these arrangements also benefit us as they provide opportunities to share technical know-how with these partners.

**Client Support**

To cater to our client base, we provide client support from our corporate office based in Bengaluru. Our support staff assist with live client queries across all our services and products and are supported by technical development team who help clients with initial integration and setup. We designate key account managers as a single point of contact for any queries.

**Pricing and Contractual Terms**

We price our services on multiple models: fixed-price, cost-plus or phase-wise. For fixed-price projects, we typically take responsibility for end-to-end project execution. We use extensive modeling based on the processes and employees that we propose to utilize and our past project experience, to estimate the effort and risks involved with individual client engagements.

We also enter into service agreements with our clients. These agreements typically either have a specified term or continue indefinitely until terminated, while containing general rights and obligations governing our relationship with the applicable client. The agreements generally incorporate a broad scope of work and do not include any minimum commitment on the part of the client. For each project, we usually enter into separate work orders with the client, which specify the types of services we are required to provide to the client and the pricing terms of the engagement. In addition, under some of our service agreements we provide support services in exchange for fees or an equity stake in the entity. For further information on these agreements, see "*History and Certain Corporate Matters*" on page 122.

**Competition**

We compete with a variety of information technology companies, as well as service providers. We also face competition from global and Indian enterprise solution companies. We believe key competitive factors in our industry include changing technologies, client preferences and needs and the ability to deliver solutions to meet such evolving needs. Other competitive factors in our industry include breadth and depth of service offerings, reputation and track record, ability to tailor enterprise solution service offerings to client needs and industry expertise.

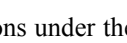
We expect the competition to intensify in the segments in which we operate as new entrants emerge in the industry due to available growth opportunities. In addition, as we expand into new market segments, we will face increased competition as we will compete with existing competitors. Moreover, our competitors or we may take certain strategic actions, including acquisitions, partnerships and joint ventures, or repositioning of product lines, which may lead to greater competition in one or more product categories.

**Insurance**

We maintain material insurance policies that are customary for companies operating in similar businesses. These include information and communication technology liability and director and officer liability insurance coverage.

**Intellectual Property**

We regard our intellectual property as an important factor in contributing to our success, and our intellectual property rights include trademarks and domain names associated with our businesses and other rights arising from confidentiality agreements relating to our database and website content and technology. We have registered our domain name, "https://www.xelpmoc.in" and other sub-domain names and have full legal rights over the domain and sub-domain names for the period for which such domain names are registered.

Our Company conducts its operations under the "XELPMOC" brand name. Our Company's logo  has not been registered and no application has been made for such registration. Further, we have filed applications to register the word mark for "XELPMOC" and "XELP" under class 9, 16 and 42 of the TM Act, which are pending registration as on the date of the Draft Red Herring Prospectus.

We rely on a combination of trademark law, trade secret protection, non-competition and confidentiality agreements with our employees and some of our partners to protect our intellectual property rights. We require our employees to enter into agreements to keep confidential all information relating to our users, and business and trade secrets during and after their employment with us. Our key employees are required to acknowledge and recognize that all inventions, trade secrets, works of authorship, developments and other processes made by them during their employment are our property.

For further information on our trademarks and intellectual property, see "*Government and Other Approvals*" on page 307.

**Employees**

As of June 30, 2018, we had 65 full-time employees. In addition, as of June 30, 2018, we had four personnel who work on a consultant/ contract basis. We provide training to our employees both as a commitment to their career development and also to ensure quality service to our clients. These trainings are conducted on joining as part of employee initiation and include additional on-the-job trainings. We also incentivize our employees by offering stock options and other schemes.

**Property**

Our registered and corporate office is located at 4$^{th}$ Floor, Aegis Building, #17, 1$^{st}$ A Cross, Koramangala 5$^{th}$ Block Bangalore, Karnataka-560 095. Our registered and corporate office have been sub-leased from Fortigo Network Logistics Private Limited. As of June 30, 2018, we had a network of four offices (including two co-working offices) spread across four states in India that were on leased/ rented premises.

## KEY REGULATIONS AND POLICIES

The following is an overview of certain sector-specific relevant laws and regulations which are applicable to the operations of our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description of laws and regulations set out below is not exhaustive but indicative, and is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice.

**Information Technology Act, 2000**

The Information Technology Act, 2000 (the "**IT Act**") creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing with, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines and imprisonment for various computer related offences. These include offences relating to unauthorized disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorised access, publication or transmission of obscene material etc. The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things.

In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 under section 43A of the IT Act (the "**IT Personal Data Protection Rules**") and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act (the "**IT Intermediaries Rules**"). The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data, and 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 Personal Data Protection Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law. The IT Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it.

**Intellectual Property Laws**

***The Trade Marks Act, 1999***

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 ("**Trademark Act**") governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled, and may be renewed indefinitely upon payment of renewal fees every ten years. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the government to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

In March, 2017, the Trade Marks Rules, 2017 ("**Trade Mark Rules**") were notified, in supersession of the Trade Marks Rules, 2002. The Trade Mark Rules brought with them some changes in the application process, in terms of an increase in application fees and common formats for multiple kinds of applications. However, the e-filing process

has been incentivized by providing for lower application fees. With the Trade Mark Rules the definition of "Opposition" also so a change to encompass a greater area. Further, the Trade Mark Rules also allow for video conferencing for conducting hearings.

***The Copyright Act, 1957***

The Indian Copyright Act, 1957 ("**Copyright Act**") governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act applies to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years. The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner.

**Foreign Investment laws**

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy ("**Consolidated FDI Policy**") issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**") from time to time. Under the current FDI Policy (effective August 28, 2017) 100% foreign direct investment is permitted in IT/ITES sector, under the automatic route.

In terms of applicable regulations notified under FEMA and the SEBI (Foreign Portfolio Investors) Regulations, 2014 ("**SEBI FPI Regulations**"), investments by Foreign Portfolio Investors ("**FPIs**") in the capital of an Indian company under the SEBI FPI Regulations are subject to certain limits individual holding limits of 10% of the capital of the company per FPI and the aggregate holding limit of 24% of the capital of the company. However, the aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a resolution of the company's board of directors, followed by a special resolution by the shareholders and prior intimation to the RBI.

**Labour Laws**

***The Employees' Provident Funds and Miscellaneous Provisions Act, 1952***

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the "**EPF Act**") applies to factories employing 20 or more employees and such other establishments and industrial undertakings as notified by the government from time to time. The EPF Act requires all such establishments to be registered with the Regional Provident Fund Commissioner and requires the employers and their employees to contribute in equal proportion to the employees' provident fund, the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State Provident Fund Commissioner.

***The Employees' State Insurance Act, 1948***

The Employees State Insurance Act, 1948, as amended (the "**ESI Act**") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

***The Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972 was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years:

- On his/her superannuation; or
- On his/her retirement or resignation; or
- On his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

***The Payment of Bonus Act, 1965 ("Bonus Act")***

The Payment of Bonus Act, 1965 was enacted with the objective of providing of payment of bonus to employees on the basis of profit or on the basis of productivity. The Bonus Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer has made a profit or a loss in the accounting year in which the bonus is payable. Every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or `100, whichever is higher.

***The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")***

The SHWW Act provides for the protection of women and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (Three) months from the date of the last incident. If the establishment has less than 10 (Ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee.

**Other employment regulations**

In addition to the above mentioned laws, certain other employment related laws and regulations that may be applicable to our Company, including:

(i) The Employee's Compensation Act, 1923;
(ii) The Minimum Wages Act, 1948;
(iii) The Payment of Wages Act, 1936.
(iv) The Equal Remuneration Act, 1976;
(v) Child Labour (Prohibition and Regulation) Act, 1986; and
(vi) Apprentices Act, 1961

**Shops and establishments legislations**

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

**Other regulations**

In addition to the above, our Company is required to comply with the provisions of the Companies Act, the Competition Act, 2002, different state laws, various tax related laws and other applicable statutes for its day-to-day operations.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as '*Xelpmoc Design and Tech Private Limited*', a private limited company, under the Companies Act, 2013 on September 16, 2015 at Bengaluru, Karnataka, India, and the Certificate of Incorporation was issued by the RoC. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on July 2, 2018 and the name of our Company was changed to '*Xelpmoc Design and Tech Limited*'. Consequently, a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the RoC on July 20, 2018.

**Changes in the registered office**

The details of the changes in the registered office of our Company are as follows:

| Effective Date | Details of change in the address of the Registered Office |
|---|---|
| July 1, 2018 | From S-3, Prabhu Kunj, 2nd Main Road, Eshwara Layout, Opposite Citynest Club, Indiranagar, 2nd Stage Bengaluru – 560 038, Karnataka, India, to #17, 4th Floor, Agies Building, 1st 'A' cross, 5th Block, Koramangala, Bengaluru – 560 034. |

The Registered Office was changed due to administrative and operational convenience.

**Our Main Object**

The main object contained in the Memorandum of Association of our Company is as follows:

*"To design, develop, program, maintain, service, purchase, assemble, sell, distribute, consult, train, educate, establish, manage, manufacture, wholesale, exhibit, jobwork, run, import, export and deal, whether in India or abroad, in all type, kind, modalities, specification and nature of computer software, solutions, IT Security, surveillance, networking, techniques, projects, applications, ERP, e-commerce, internet, intranet, BPO, multimedia, client server technology, transcription, data bank, data processing, information systems, call centers, websites including its goods, materials, products and equipments, computer hardware, peripherals, accessories, spares and parts, components, inputs, assemblies and sub-assemblies, implements."*

The main objects clause and objects incidental or ancillary to the main objects contained in the Memorandum of Association enable our Company to undertake its existing activities.

**Amendments to our Memorandum of Association**

Since incorporation, the following amendments have been made to our Memorandum of Association:

| Date of Shareholders resolution | Nature of amendment |
|---|---|
| March 23, 2016 (EGM) | Clause V was amended to reflect an increase in the authorized share capital of our Company from ₹ 500,000 divided into 50,000 Equity Shares of ₹ 10 each to ₹50,000,000 divided into 5,000,000 Equity Shares of ₹10 each. |
| May 13, 2017 (EGM) | Clause V was amended to reflect an increase in the authorised share capital of our Company from ₹ 50,000,000 divided into 5,000,000 Equity Shares of ₹ 10 each to ₹110,000,000 divided into 11,000,000 Equity Shares of ₹10 each. |
| July 2, 2018 (EGM) | Clause V was amended to reflect an increase in the authorized share capital of our Company from ₹110,000,000 divided into 11,000,000 Equity Shares of ₹10 each to ₹150,000,000 divided into 15,000,000 Equity Shares of ₹10 each. |
| July 2, 2018 (EGM) | Conversion from private limited company to public limited company. |

**Major Events and Milestones**

| Date | Events / Milestones |
|---|---|
| September 16, 2015 | Our Company was incorporated as '*Xelpmoc Design & Tech Private Limited*' with the Registrar of Companies, Karnataka at Bengaluru. |
| October 24, 2015 | First Technology Services Agreement entered into with Fortigo Network Logistics Private Limited. |
| July 2, 2018 with effect from April 1, 2017 | Entered into a Joint Venture Agreement with Fortigo Network Logistics Private Limited. |
| October 31, 2017 | First Agreement for rendering our services with a government organisation. |
| July 2, 2018 | Our Company was converted from a private limited company to a public limited company, and the name of our Company was changed to '*Xelpmoc Design and Tech Limited*'. |

**Awards and Accreditations**

Our Company has not received any awards or accreditations since inception.

**Total number of Equity Shareholders of our Company**

As on date of filing this Draft Red Herring Prospectus, our Company has 50 Equity Shareholders. For further details, see "*Capital Structure*" on page 73.

**Business and management**

For details in relation to our corporate profile including details of our business, description of our activities, services, products, technology, market segments, marketing, competition and managerial competence the growth of our Company, management, major clients, see "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Industry Overview*" and "*Government and Other Approvals*" on pages 110, 280 and 307, respectively. For details of the management of our Company, see "*Our Management*" on page 129.

**Changes in activities of our Company since inception**

There have been no changes in the activities of our Company since inception, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

**Capital raising**

For details regarding our capital raising activities through equity, see "*Capital Structure*" and "*Financial Statements*" on pages 73 and 150, respectively. Further, our Company has not undertaken any offering of debt instruments since its inception.

**Strike and lock-outs**

Our Company has not had any strikes and lock – outs in our operations since incorporation.

**Time or cost overrun**

Our Company has not experienced any instances of time / cost overrun in our business operations.

**Defaults or rescheduling of borrowings with financial institutions / banks, conversion of loans into equity by the Company**

There have been no defaults or rescheduling of borrowings with financial institutions, banks, conversion of loans into equity in relation to our Company.

**Injunctions or restraining order against our Company**

There are no injunctions or restraining orders against our Company.

**Revaluation of assets**

Our Company has not undertaken any revaluation of its assets since incorporation.

**Details regarding acquisition of business / undertakings, mergers, amalgamation, revaluation of assets / shareholders agreement**

Except as disclosed in "-*Material Agreements"* hereunder, our Company has neither acquired any entity, business or undertaking, nor has our Company undertaken any merger or amalgamation.

**Material Agreements**

**A. Shares' Subscription and Shareholder's Agreements:**

**1.** ***Fortigo Network Logistics Private Limited:***

***a. Restricted Stock Agreement ("RSA") dated October 24, 2015 entered into between our Company and Fortigo Network Logistics Private Limited ("Fortigo"), (collectively referred to as the "Parties").***

Pursuant to the Technology Service Agreement dated October 24, 2015 entered into between our Company and Fortigo ("**Technology Service Agreement**"), we have entered into a Restricted Stock Agreement ("**RSA**") dated October 24, 2015 with Fortigo for vesting of 11,112 equity shares ("**Restricted Stock**") over a period of three (3) years in accordance with the agreed vesting schedule. This vesting schedule shall be time based; performance milestone based in accordance with milestones described in the Technology Service Agreement and shall also include accelerated vesting.

The promoters of Fortigo shall be entitled to purchase the unvested shares due to non-achievement of performance milestones upon the expiry of the vesting period and to purchase the entire Restricted Stock from our Company at the lower price permissible under law in the event of an uncured material breach of the terms of the Technology Services Agreement and/ or the shareholders' agreement by our Company.

***b. Shareholders' Agreement dated December 23, 2016 and First Amendment to Shareholders' Agreement dated April 30, 2018 ("SHA") entered into amongst our Company, Fortigo Network Logistics Private Limited ("Fortigo"), Accel India IV (Mauritius) Limited, Accel India V (Mauritius) Limited, Nandan Nilekani, NRJN Family Trust, Vivek Malhotra, Anjani Mandal and Rakesh Malhotra ("Promoters"), (collectively referred to as the "Parties").***

Our Company has entered into the SHA for establishing mutual rights, obligations, terms and conditions governing its relationship as shareholders in Fortigo.

Our Company is entitled to receive financial statements, minutes of the meetings conducted, bank accounts and other relevant information as long as our Company holds 5% of the paid up share capital of Fortigo. The SHA entrusts certain rights upon our Company including but not limited to, the right of first refusal, tag along rights, drag along rights, liquidation preference rights, at par exit rights, valuation protection rights, registration rights, meeting and voting rights. The SHA entitles our Company to participate in the strategic sale and sell 100% of our shareholding in Fortigo.

Fortigo has undertaken bonus issue in the ratio of one is to ten to all their shareholders in proportion to their shareholding on a fully diluted basis and pursuant to the SHA, has converted the promoter optionally redeemable cumulative preference shares into equity shares. Accordingly, our Company presently holds 122,232 equity shares in Fortigo constituting 5.13% of their total shareholding percentage.

Further, Series A Subscription Agreement dated December 23, 2016 and Amendment to the Series A Subscription Agreement dated April 30, 2018 has been entered into amongst Fortigo, Accel India IV (Mauritius) Limited, Nandan Nilekani, Vivek Malhotra, Anjani Mandal and Rakesh Malhotra for subscription to "Series A1 CCPS" ("compulsorily convertible cumulative preference shares") with face value of ₹10 and premium of ₹1,242.72. The parties may convert the Series A1 CCPS in whole or part into equity shares at any time before 19 years from the date of issuance.

The amendment to SHA states that equity shares issued to the Promoters upon conversion of promoter optionally redeemable cumulative preference shares in Fortigo (including the shares that cease to be restricted shares) shall also be included in 'Promoter Lock-In' as mentioned in the original SHA.

**2.** ***Shares' Subscription Agreement dated March 30, 2016 ("SSA") entered into between our Company and IFtoSI Jewels Private Limited ("IFtoSI") and consequently, Shareholders' agreement dated March 30, 2016 ("SHA") entered into between our Company and IFtoSI Jewels Private Limited ("IFtoSI").***

Our Company has entered into the SSA pursuant to the Master Services Agreement dated March 30, 2016 executed with IFtoSI, for provision of services in relation to designing, developing, implementing and maintaining the Company's web-based application ("**Services**"). In consideration of the aforementioned Services, IFtoSI has constituted our Company as a shareholder to the extent of 29.5% of its issued and paid up capital post allotment. Our Company has subscribed to 2,500 equity shares at an aggregate issue price of ₹ 25,000 thereby holding 25% of IFtoSI's issued and paid-up capital.

Our Company has certain rights vide the SHA, including but not limited to the right to designate one non-retiring director as long as our Company holds at least 5% of IFtoSI's equity shares, right of first offer for sale of shares by the promoters of IFtoSI, right of first refusal, tag along rights. Pursuant to the Board resolution dated January 30, 2018, our Company disposed of 800 equity shares of IFtoSI at a price of ₹8,000 by way of transfer to the promoter of IFtoSI, Neerak Kayathwal. Further, pursuant to Board resolution dated May 14, 2018, our Company disposed of the remaining 1,700 equity shares of IFtoSI at a price of ₹17,000 to Neerak Kayathwal.

**3.** ***Mihup Communications Private Limited:***

***a. Shareholders' Agreement dated July 12, 2016 ("SHA") entered into by and amongst our Company, Mihup Communications Private Limited ("Mihup"), Accel India IV (Mauritius) Limited ("Accel"), Pankaj Gupta; Sandipan Chattopadhyay, Tapan Barman, Sandipan Mandal, Biplab Chakraborty and Manoj Keshan ("Angel Investor").***

Our Company has invested in series seed funding of 31,512 compulsory convertible preference shares ("**CCPS**") on July 7, 2016 in Mihup at an aggregate issue price of ₹ 31,512, constituting 11.41% of Mihup's total shareholding.

Our Company is entitled to certain rights vide the SHA including but not limited to, the right to receive audited financial statement and unaudited quarterly statement as long as we hold at least 5% of the aggregate share capital in Mihup, right to nominate, right to maintain and remove one director who shall have the non-executive status not liable to retire by rotation, right of first offer, tag along rights, drag along rights, liquidation preference rights.

Our Company shall not, without investors consent, sell, encumber or transfer or part with any part of the shareholding until four years from the closing date and even after the expiry of the period we shall not transfer the same to competitors or the holding companies. Further, 40% of our CCPS held shall be deemed to be reserved or unvested; 12.5% of the reserved shares shall be released and vested in our favour pro-rata on a quarterly basis, until expiry of two years from the closing date.

***b. Bridge Subscription Agreement and First Amendment Agreement to the Shareholders' Agreement dated January 23, 2018 ("Agreement") entered into by and amongst our Company, Mihup Communications***

***Private Limited ("Mihup"), Accel India IV (Mauritius) Limited ("Accel"), Pankaj Gupta; Sandipan Chattopadhyay, Tapan Barman, Sandipan Mandal, Biplab Chakraborty and Manoj Keshan ("Angel Investor"), (collectively referred to as the "Parties").***

Our Company has entered into the Agreement for subscription of 2,941 series A1 CCPS in Mihup at a total issue price of ₹1,673,576.05. Further, our Company had also been offered 4,901 series A2 CCPS, however, these shares were not subscribed to by us.

Our Company has certain rights vide the Agreement including but not limited to, voting rights, right to nominate a director, right of first offer, tag along rights, drag along rights, liquidation preference rights.

**4.** ***Subscription cum Shareholders' Agreement dated May 11, 2017 ("Agreement") entered into by and amongst our Company, Inqube Innoventures Private Limited ("Inqube"), Orko Knowledge Ventures Private Limited, Tridibesh Bandyopadhyay, Subhankar Pandey, Souvik Banerjee, Sandipan Chattopadhyay, Jaison Jose and Srinivas Koora.***

Our Company has entered into the Agreement for subscription of 230 equity shares at an aggregate issue price of ₹ 5,000,000, constituting 2.11% of the total share capital of Inqube on a fully diluted basis.

Our Company has certain rights vide the Agreement including but not limited to, the right to either appoint an observer or an investor director or an alternate director to act for the investor director, right to remove or substitute the investor director and promoter director nominated by it, right to receive preference of the first offer for sale of shares by the promoters of Inqube on the same price and terms and conditions as any other person, right of first refusal, tag along rights.

Our Company has received a Letter of Offer dated February 20, 2018 by Inqube. Pursuant to the Letter of Offer, our Company has subscribed to 425 rights equity shares at an aggregate issue price of ₹ 4,300,150 on rights basis in proportion to their present shareholding in existing paid up capital of the Company offered in the ratio of 185 equity shares for every 100 shares held to the shareholders whose names appears in register of members of Inqube as on February 19, 2018 being the record date fixed for this purpose.

**5.** ***Share Subscription Agreement ("SSA") and Shareholders' Agreement ("SHA") dated September 13, 2017 effective from September 10, 2017, entered into amongst our Company, Madworks Ventures Private Limited ("Madworks"), Arjun Madhavan and Pooja Sheth.***

Our Company has entered into the SSA for subscription of 15,204 equity shares and 57,018 compulsorily convertible preference shares ("**CCPS**") for a total investment of ₹ 1,150,000 and further entered into the SHA for determination of the terms and conditions of investment and our rights as shareholders in Madworks.

Pursuant to the SHA, our Company has certain rights including but not limited to the right to designate one non-retiring director as long as our Company holds at least 10% of Madworks' equity shares, right to either appoint an observer or an investor director, right to remove or substitute the investor director and promoter director nominated by it, right to receive preference of the first offer for sale of shares by the promoters of Madworks, right of first refusal, voting rights, tag along rights, right to have a liquidation preference over other shareholders of Madworks for return of capital to the extent of our compulsorily convertible preference shares.

In the event the conditions as specified in the SHA cannot be fulfilled due to termination of the master services agreement entered into between our Company and Madworks, then such number of compulsorily convertible preference shares shall convert only into one equity share.

**6.** ***Shares' Subscription and Shareholders' Agreement dated September 11, 2017 and Amendment thereto entered into on November 16, 2017 ("Agreement"), by and amongst our Company, Snaphunt Pte. Limited ("Snaphunt") and Tulika Tripati ("Promoter").***

Our Company has entered into a Master Service Agreement with Snaphunt dated September 11, 2017 for provision of services such as recruitment, assessment services through a technology enabled platform

("**Services**"). In consideration of our Services, our Company has entered into the Agreement with Snaphunt for subscription of their 6,447 ordinary shares and 14,506 optionally convertible preference share ("**OCPS**") amounting to 21,200 Singapore Dollars, constituting 26% stake in the issued and paid up share capital of Snaphunt.

Our Company had initially been allotted 103 ordinary shares and 243 OCPS constituting 26% issued and paid up share capital of Snaphunt, however, Snaphunt's issued and paid up share capital was subsequently increased from 1,000 ordinary shares to 59,635 ordinary shares on account of promoters having subscribed to 58,635 additional ordinary shares. Hence, an Amendment Agreement was entered thereto between the Parties in order to maintain our present 26% stake in Snaphunt.

Our Company has received certain rights including but not limited to the right to receive preference of the first offer for sale of shares by the promoters of Snaphunt, right of first refusal, the right to tag along to sell our holdings to any outside purchaser along with the promoters of Snaphunt.

**7.** ***Investment Agreement dated December 21, 2017 ("Agreement") entered into by and amongst our Company, Intellibuzz TEM Private Limited ("Intellibuzz"), Omphalos Ventures India LLP ("Omphalos"), Pranay Sanghavi, Harendra Sanghavi and Steven K. Enamakel, Vikram K. Bansal, Sumit Mehta.***

Omphalos and Xelpmoc have been approached by Intellibuzz for investing an amount of ₹ 7,500,000 in its equity. Our Company has entered into the Agreement for subscription of 12,300 equity shares at an aggregate issue price of ₹ 2,500,000 constituting 5.56% of the total shareholding of Intellibuzz.

Our Company has certain rights including but not limited to the right to receive preference of the first offer for sale of shares by the promoters of Intellibuzz, right of first refusal, right to tag along to sell our holdings.

**8.** ***Share Subscription Agreement dated January 19, 2018 effective from April 01, 2017 ("SSA") and Shareholders' Agreement dated January 19, 2018 effective from April 01, 2017 ("SHA") entered into between our Company and Kidsstoppress Media Private Limited ("KMPL"), (collectively referred to as the "Parties").***

Pursuant to the Master Services Agreement dated January 19, 2018 effective from April 01, 2017, our Company has entered into the SSA for investment of an aggregate sum of ₹ 9,044,910 in the form of 2,051 optionally convertible preference shares ("**OCPS**") of face value ₹10 each in KMPL constituting 15% of their issued and paid up capital.

Our Company is entitled to convert the OCPS into equity shares of KMPL in accordance with the conversion schedule mentioned in the SSA or at the end of three (3) years from the effective date of the SSA, whichever is earlier.

Our Company has entered into the SHA for determination of rights, terms and conditions as the shareholder of KMPL and we have certain rights including but not limited to, the right to receive financial statements, minutes of the meetings conducted, bank accounts and other relevant information as long as our Company holds 5% percent of the paid up share capital of KMPL, voting rights, the right of first refusal. Further, in the event that the conditions specified in the SHA cannot be fulfilled due to termination of the master services agreement entered into between our Company and KMPL, then such number of OCPS shall convert only into one equity share.

**B. Other Agreements**

1. ***Joint Venture Agreement dated July 02, 2018 effective from April 01, 2017 ("JV Agreement") entered into between our Company and Fortigo Network Logistics Private Limited ("Fortigo"), (collectively referred to as the "Parties").***

Our Company has entered into a JV Agreement with Fortigo for the purpose of developing software and technological solutions to support, maintain and enhance the 'insert' ("**Platform**") developed by our Company

for Fortigo for its fleet and logistics management platform. Accordingly, the Parties have set up a special purpose vehicle called Fortigo Network Xelpmoc Private Limited ("**Fortigo Xelpmoc**") with Fortigo and our Company holding 51% and 49% ownership respectively. Fortigo shall own all right, title and interest including all copyrights, trademarks, patents, trade secrets, moral rights and other proprietary rights of the said Platform.

Pursuant to a meeting of our Board of Directors on June 25, 2018, our Company has disposed of 31.00% of its shareholding in Fortigo Network Xelpmoc Private Limited, for a consideration of ₹ 31,000, with effect from July 2018. As of the date of this Draft Red Herring Prospectus, the Company owns 18.00% of the equity shareholding in Fortigo Network Xelpmoc Private Limited.

**Holding company**

Our Company does not have a holding company.

**Subsidiaries**

As of the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

**Associate company and Joint venture**

As on date of this Draft Red Herring Prospectus, Madworks Ventures Private Limited is an associate company of our Company, and Fortigo Network Xelpmoc Private Limited is a Joint Venture.

**Common Pursuits between our Associate Company and our Company**

There are no common pursuits between our Associate Company and our Company.

**Sale / purchase between Associate Company and our Company**

Except as disclosed in the section *"Related Party Transactions"* on page 148, our Associate Company is not involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

**Business Interest of our Associate Company in our Company**

Our Associate Company does not have any business interest in our Company.

**Strategic and financial partnerships**

Our Company currently does not have any strategic or financial partners.

## OUR MANAGEMENT

### Board of Directors

As per our Articles of Association, our Company is required to have not less than three Directors and not more than fifteen Directors. As on the date of filing this Draft Red Herring Prospectus, our Company has 8 Directors on its Board, of which 4 are Whole-Time Directors and 4 are Non-executive Directors, including two woman Directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of Board.

### Our Board

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

| Name, designation, address, occupation, DIN, term and nationality | Age (years) | Other Directorship |
|---|---|---|
| **Tushar Trivedi**<br><br>**Designation:** Chairman and Independent Director<br><br>**Address:** 501-A, Labh Siddhi Co-operative Housing Society, Near St. Xavier's School Road, Vile Parle (West), Mumbai – 400 056, Maharashtra, India.<br><br>**Occupation:** Business<br><br>**DIN:** 08164751<br><br>**Term:** 5 years with effect from July 2, 2018, up to July 1, 2023<br><br>**Nationality:** Indian | 54 | NIL |
| **Sandipan Chattopadhyay**<br><br>**Designation:** Managing Director and Chief Executive Officer<br><br>**Address:** 2B Crown Aura, Jakkur Plantation Road, Jakkur, Bengaluru North, Bengaluru – 560 064, Karnataka, India.<br><br>**Occupation:** Business<br><br>**DIN:** 00794717<br><br>**Term:** 3 years with effect from July 2, 2018 to July 1, 2021<br><br>**Nationality:** Indian | 45 | 1. Mihup Communications Private Limited;<br><br>2. Tijoree ECom Private Limited;<br><br>3. Fortigo Network Xelpmoc Private Limited;<br><br>4. Folk Products and Design Private Limited;<br><br>5. Agronauts Technologies Private Limited;<br><br>6. Xap Technologies Private Limited; and<br><br>7. Getbasis Securities and Technologies India Private Limited. |
| **Srinivas Koora**<br><br>**Designation:** Whole-Time Director and Chief Financial Officer | 42 | 1. Tijoree ECom Private Limited;<br><br>2. Agronauts Technologies Private Limited; and |

| Name, designation, address, occupation, DIN, term and nationality | Age (years) | Other Directorship |
|---|---|---|
| **Address:** 1204 / D Wing, Palm Spring Complex, Link Road, Malad (West), Mumbai – 400 064, Maharashtra, India.<br><br>**Occupation:** Business<br><br>**DIN:** 07227584<br><br>**Term:** 3 years with effect from July 2, 2018 to July 1, 2021<br><br>**Nationality:** Indian | | 3. Xap Technologies Private Limited; and<br><br>4. Saka Tech Labs Private Limited. |
| **Jaison Jose**<br><br>**Designation:** Whole-Time Director<br><br>**Address:** 8/5, Model Town Apartments, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India.<br><br>**Occupation:** Business<br><br>**DIN:** 07719333<br><br>**Term:** 3 years with effect from July 2, 2018 to July 1, 2021<br><br>**Nationality:** Indian | 38 | 1. Saka Tech Labs Private Limited. |
| **Vishal Chaddha**<br><br>**Designation:** Whole-Time Director<br><br>**Address:** 501 – Tower No. 18, South Close, Nirvana Country, Sector – 50, Gurgaon South City II, Gurgaon – 122 018, Haryana, India<br><br>**Occupation:** Business<br><br>**DIN:** 05321782<br><br>**Term:** 3 years with effect from July 2, 2018 to July 1, 2021<br><br>**Nationality:** Indian | 45 | 1. Avid Buildwell & Financial Consultants Private Limited; and<br><br>2. Getbasis Securities and Technologies India Private Limited. |
| **Bhavna Chattopadhyay**<br><br>**Designation:** Non-executive Director<br><br>**Address:** 2B Crown Aura, Jakkur Plantation Road, Jakkur, Bengaluru North, Bengaluru – 560 064, Karnataka, India.<br><br>**Occupation:** Service | 46 | NIL |

| Name, designation, address, occupation, DIN, term and nationality | Age (years) | Other Directorship |
|---|---|---|
| **DIN:** 08164750<br><br>**Term:** Liable to retire by rotation<br><br>**Nationality:** Indian | | |
| **Premal Mehta**<br><br>**Designation:** Independent Director<br><br>**Address:** A 403, Brentwood, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India.<br><br>**Occupation:** Service<br><br>**DIN:** 00090389<br><br>**Term:** 5 years with effect from July 2, 2018, up to July 1, 2023<br><br>**Nationality:** Indian | 54 | 1. Wealth First Advisors Private Limited; and<br><br>2. Avenues Corporate Advisors Private Limited. |
| **Pratiksha Pingle**<br><br>**Designation:** Independent Director<br><br>**Address:** Flat No. 206, Wing-A, 2nd Floor Stellar Mahavir Universe, L B S Road, Bhandup (West), Mumbai – 400 078, Maharashtra, India.<br><br>**Occupation:** Service<br><br>**DIN:** 06878382<br><br>**Term:** 5 years, with effect from July 2, 2018 up to July 1, 2023<br><br>**Nationality:** Indian | 41 | 1. HERE Solutions India Private Limited. |

**Brief profiles of our Directors**

**Tushar Trivedi**, aged 54 years, is the Non-executive Chairman and Independent Director of our Company. He holds a degree of Master of Science from the University of Mumbai, and a degree of Master of Administrative Management from the Narsee Monjee Institute of Management Studies, University of Mumbai. He has more than 30 years of experience in the field of digital banking, transactional banking, relationship management, business process transformation, business solutions and industrial manufacturing. Prior to joining our Company, he has worked with Kotak Mahindra Bank Private Limited, and has served as the Vice President of Citibank N.A., U.A.E. He has been a Director on our Board since July 2, 2018.

**Sandipan Chattopadhyay**, aged 45 years, is the Managing Director and Chief Executive Officer of our Company. He holds a degree of Bachelor of Statistics (Honors) from the Indian Statistical Institute, Calcutta. He also holds a Post Graduate Diploma in Computer Aided Management from the Indian Institute of Management, Kolkata. He is primarily responsible for the performance and supervision of technical, administrative and day-to-day operations of our Company, including but not limited to developing strategic plans, promotion of revenue, profitability and growth of our Company. He has more than 20 years of experience in the field of technology. Prior to joining our

Company, he has served as the Chief Technical Officer at Just Dial Limited. He has been a Director on our Board since incorporation.

**Srinivas Koora**, aged 42 years, is a Whole-Time Director and the Chief Financial Officer of our Company. He holds a degree of Bachelor of Commerce from the Osmania University. He also holds a degree of Master of Business Administration from Swami Ramanand Teerth Marathwada University, Nanded. He is primarily responsible for all aspects of finance, investor relations, fund raising, controlling, accounting, financial reporting, tax compliance, financial systems implementation, and devising the strategy for our Company. He has more than 16 years of experience in the field of accounts and finance. Prior to joining our Company, he has served as the Deputy Chief Financial Officer at Just Dial Limited. He has been a Director on our Board since incorporation.

**Jaison Jose**, aged 38 years, is a Whole-Time Director of our Company. He holds a degree of Bachelor of Commerce from Mumbai University. He also holds a degree of Master of Commerce (External) as well as a degree of Master of Marketing Management from Mumbai University. He is primarily responsible for the implementation of operational plans, operation strategies, budgets and forecasts at the corporate, regional and business unit level. He has more than 13 years of experience in the field of human resource services. Prior to joining our Company, he has been an Associate Partner of Quess Corp and has served as the Engagement Manager at Adecco Peopleone India. He has been a Director on our Board since March 9, 2017.

**Vishal Chaddha**, aged 45 years, is a Whole-Time Director of our Company. He holds a degree of Bachelor of Science (Honors Course) from the University of Delhi. He holds a Post-Graduate Diploma in Management from the Indian Institute of Management, Calcutta. He is primarily responsible for sales and business development, alliances, client relations, marketing and government relations for our Company. He has more than 22 years of experience in the field of general management, sales & marketing and brand management across the digital, financial services, fast moving consumer goods and media entertainment sectors. Prior to joining our Company, he was the Chief Executive Officer at HT Media Limited, and has served as the Vice President and Head – NRI Business, Consumer Banking at ABN Amro Bank N.V., and as the General Manager - Marketing at Coca-Cola India Inc. He has been a Director on our Board since September 13, 2017.

**Premal Mehta**, aged 54 years, is a Non-executive Independent Director of our Company. He holds a degree of Master of Management Studies from the Narsee Monjee Institute of Management Studies, University of Mumbai. He has more than 31 years of experience in the field of financial advisory services. Presently he is also a Founder Director on the Board of Wealth First Advisors Private Limited. He has been a Director on our Board since July 2, 2018.

**Bhavna Chattopadhyay**, aged 46 years, is a Non-executive Director of our Company. She holds a degree of Bachelor of Education from the University of Delhi. She has been a Director on our Board since July 2, 2018.

**Pratiksha Pingle**, aged 41 years, is a Non-executive Independent Director of our Company. She holds a degree of Bachelor of Commerce from the University of Bombay. She is also a qualified Chartered Accountant. She has more than 15 years of experience in the field of finance and accounts. Prior to joining our Company, she has worked with Accenture Services Private Limited, CBay Systems (India) Private Limited, Indica Research Private Limited and Lokhandwala Infrastructure Private Limited. Presently, she is also serving as Accounting Director at HERE Solutions India Private Limited. She has been a Director on our Board since July 2, 2018.

**Relationship between our Directors**

Sandipan Chattopadhyay, our Managing Director and Chief Executive Officer, is the husband of Bhavna Chattopadhyay, who is a Non-Executive Director on our Board. Except for the foregoing, none of our Directors are related to each other.

**Remuneration details of our Directors**

*(i) Remuneration of our executive Directors*

**Sandipan Chattopadhyay**

Sandipan Chattopadhyay was appointed as an Executive Director on our Board at the time of incorporation and was appointed as the Managing Director and Chief Executive Officer of our Company with effect from July 2, 2018, for a term of 3 years, up to July 1, 2021 at the meeting of our Board held on June 25, 2018, and was confirmed by a special resolution passed by our shareholders at their extra-ordinary general meeting held on July 2, 2018.

The table below sets out the present annual remuneration details of Sandipan Chattopadhyay:

| **Particulars** | **Details** |
|---|---|
| Basic Salary | ₹125,000 to ₹300,000 per month |
| Perquisites | As per the rules of the Company and any additional perquisites as may be decided by the Board of Directors of the Company from time to time |
| Leave Travel Concession | For self and family, once a year incurred in accordance with the rules of the Company |
| Provident Fund | Company's contribution as per the rules of the Company |
| Gratuity | As per the rules of the Company |
| Earned Leave | As per the rules of the Company |
| Medical | Reimbursement of expenses incurred for self and family as per the policy of the Company |

**Srinivas Koora**

Srinivas Koora was appointed as an Executive Director at the time of incorporation of our Company and was designated as a Whole-Time Director and Chief Financial Officer of our Company with effect from July 2, 2018, for a term of 3 years up to July 1, 2021 at the meeting of our Board held on June 25, 2018, and was confirmed by a special resolution passed by our shareholders at their extra-ordinary general meeting held on July 2, 2018.

The table below sets out the present annual remuneration details of Srinivas Koora:

| **Particulars** | **Details** |
|---|---|
| Basic Salary | ₹125,000 to ₹300,000 per month |
| Perquisites | As per the rules of the Company and any additional perquisites as may be decided by the Board of Directors of the Company from time to time |
| Leave Travel Concession | For self and family, once a year incurred in accordance with the rules of the Company |
| Provident Fund | Company's contribution as per the rules of the Company |
| Gratuity | As per the rules of the Company |
| Earned Leave | As per the rules of the Company |
| Medical | Reimbursement of expenses incurred for self and family as per the policy of the Company |

**Jaison Jose**

Jaison Jose was initially appointed as an Additional Director on our Board on March 9, 2017 and regularized by our shareholders at the EGM held on May 13, 2017. Further, he was designated as a Whole-Time Director of our Company pursuant to a resolution passed by our Board at their meeting held on June 25, 2018 with effect from July 2, 2018 for a term of 3 years up to July 1, 2021 and was confirmed by our shareholders at their extra-ordinary general meeting held on July 2, 2018.

The table below sets out the present annual remuneration details of Jaison Jose:

| **Particulars** | **Details** |
|---|---|
| Basic Salary | ₹125,000 to ₹300,000 per month |

| Particulars | Details |
|---|---|
| Perquisites | As per the rules of the Company and any additional perquisites as may be decided by the Board of Directors of the Company from time to time |
| Leave Travel Concession | For self and family, once a year incurred in accordance with the rules of the Company |
| Provident Fund | Company's contribution as per the rules of the Company |
| Gratuity | As per the rules of the Company |
| Earned Leave | As per the rules of the Company |

**Vishal Chaddha**

Vishal Chaddha was appointed as an Additional Director on our Board on September 13, 2017 and regularized by our shareholders at the AGM held on September 29, 2017. Further, he was designated as a Whole-Time Director of our Company pursuant to a resolution passed by our Board at their meeting held on June 25, 2018 with effect from July 2, 2018 for a term of 3 years up to July 1, 2021 and was confirmed by our shareholders at their at their extra-ordinary general meeting held on July 2, 2018.

The table below sets out the present annual remuneration details of Vishal Chaddha:

| Particulars | Details |
|---|---|
| Basic Salary | ₹125,000 to ₹300,000 per month |
| Perquisites | As per the rules of the Company and any additional perquisites as may be decided by the Board of Directors of the Company from time to time |
| Leave Travel Concession | For self and family, once a year incurred in accordance with the rules of the Company |
| Provident Fund | Company's contribution as per the rules of the Company |
| Gratuity | As per the rules of the Company |
| Earned Leave | As per the rules of the Company |

The aggregate value of the remuneration paid to the executive Directors in the Fiscal 2018 is as follows:

| Sr. No. | Name of Director | Remuneration (₹ in thousand) |
|---|---|---|
| 1. | Sandipan Chattopadhyay | 375 |
| 2. | Srinivas Koora | 375 |
| 3. | Vishal Chaddha | 375 |
| 4. | Jaison Jose | 375 |

*(ii) Remuneration details of our Non-executive Directors and Independent Directors*

Pursuant to a resolution dated July 28, 2018 of our Board, our Non-executive and Independent Directors are entitled to sitting fees of ₹ 7,500 for attending each meeting of our Board or any committees thereof. Additionally, our Non-executive and Independent Directors are also entitled to reimbursement of expenses incurred by them to attend such meetings.

None of the present Independent Directors were on the Board of our Company in Fiscal 2018 and hence did not receive any sitting fees for any meetings of the Board or Committee of the Board.

**Shareholding of our Directors in our Company**

As per the Articles of Association of our Company, our Directors are not required to hold qualification shares.

The following table sets forth details of shareholding of our Directors in our Company as of the date of this Draft Red Herring Prospectus:

| Name of the Director | Number of Equity Shares (Pre-Issue) | Percentage (%) |
|---|---|---|
| Tushar Trivedi | 22,243 | 0.22% |
| Sandipan Chattopadhyay | 4,079,102 | 39.98% |
| Srinivas Koora | 2,536,598 | 24.86% |
| Jaison Jose | 841,290 | 8.24% |
| Premal Mehta | 8,913 | 0.09% |
| Bhavna Chattopadhyay | 453,234 | 4.44% |

**Shareholding of our Directors in our Subsidiaries**

As on date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

**Confirmations**

None of our Directors are or were directors of any listed companies on the BSE or NSE, whose shares have been or were suspended from being traded, during the last five years prior to the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors are or were directors on any listed companies which have been or were delisted from any stock exchange during the term of his/her directorship in such companies.

None of our Directors have been identified as wilful defaulters, as defined under the SEBI ICDR Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation is pending against them.

**Borrowing Powers of our Board**

Pursuant to our Articles of Association, the applicable provisions of the Companies Act, 2013, and resolution passed at the extra-ordinary general meeting held on July 28, 2018, our Board has been authorised to borrow an amount upto Rs. 1,000,000 thousand either in rupees or in foreign currencies for the purpose of the business of the Company, which, together with the monies already borrowed by the Company may exceed the aggregate of the paid-up share capital, free reserves and securities premium, provided that the aggregate of the amount borrowed and to be borrowed and outstanding at any one time shall not exceed such amount.

**Bonus or profit sharing plan for the Directors**

Our Company does not have a bonus or profit sharing plan for our Directors.

**Service contracts with Directors**

Our Directors have not entered into any service contracts with our Company which provide for any benefit upon termination of their directorship.

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

None of our Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

**Interest of our Directors**

Our executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. Further, our Directors may also be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Subsidiaries and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Director, see "*-Terms of appointment and remuneration of our Executive Directors*" above.

Further, our Non-executive Directors and Independent Directors are entitled to receive sitting fees for attending each meeting of our Board and Committee, details of which have been provided under the heading "*Remuneration details of our Non-executive Directors and Independent Directors*" above.

Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, details of which have been disclosed under the heading "*Shareholding of Directors in our Company*" above. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Further, our Directors may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, out of the present Issue. Such Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in "*Related Party Transactions*" on page 148, our Directors do not have any other interest in the business of our Company.

**Interest in the promotion of our Company**

Except for Sandipan Chattopadhyay, Srinivas Koora and Jaison Jose, who are the Promoters of our Company, our Directors have no interest in the promotion of our Company as of the date of this Draft Red Herring Prospectus, except in the ordinary course of business.

**Interest as to property**

Our Directors have no interest in any property acquired by our Company within the two years preceding the date of this Draft Red Herring Prospectus, or presently intended to be acquired by our Company or in any transaction for acquisition of land, construction of buildings and supply of machinery.

**Appointment of relatives of our Directors to any office or place of profit**

As on the date of this Draft Red Herring Prospectus, no relatives of any of our Directors have been appointed to a place or office of profit in our Company.

**Changes in our Company's Board of Directors since incorporation**

The changes in our Board since inception are as follows:

| Name of Director | Date of appointment | Date of cessation | Reason |
|---|---|---|---|
| Tushar Trivedi | July 2, 2018 | - | Appointment as Independent Director |
| Premal Mehta | July 2, 2018 | - | Appointment as Independent Director |
| Bhavna Chattopadhyay | July 2, 2018 | - | Appointment as Non-executive Director |
| Pratiksha Pingle | July 2, 2018 | - | Appointment as Independent Director |
| Vishal Chaddha | September 13, 2017 | - | Appointment as Additional Director |
| Jaison Jose | March 9, 2017 | - | Appointment as Additional Director |
| Rajesh Dembla | - | July 26, 2017 | Resignation |
| Sandipan Chattopadhyay | September 16, 2015 | - | Appointment as First Director |
| Srinivas Koora | September 16, 2015 | - | Appointment as First Director |
| Rajesh Dembla | September 16, 2015 | - | Appointment as First Director |

**Loans taken by Directors**

No loans have been availed by our Directors from our Company.

**Corporate Governance**

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon listing of the Equity Shares on the Stock Exchanges.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

Currently the Board has 8 directors, comprising of a non-executive Chairman, 4 executive directors and 4 non-executive directors comprising of 3 independent directors. Our Board also comprises of 2 woman directors including one independent director.

**Committees of our Board**

Our Board has constituted the following Committees in accordance with the requirement of SEBI Listing Regulations and the Companies Act, 2013:

1. Audit Committee;

2. Nomination and Remuneration Committee; and

3. Stakeholders Relationship Committee;

**Other Committees**

Our Company has also constituted an IPO Committee.

**Details of each of these Committees are as follows:**

***Audit Committee***

Our Audit Committee was constituted pursuant to resolution of our Board dated July 28, 2018. Our Audit Committee comprises of the following members:

| Name of Director | Designation | Nature of Directorship |
|---|---|---|
| Pratiksha Pingle | Chairman | Independent Director |
| Tushar Trivedi | Member | Independent Director |
| Srinivas Koora | Member | Whole-Time Director |

A. The Audit Committee shall have powers, including the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.

4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. Role of Audit Committee

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions; and
    g. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval of any subsequent modification of transactions of the company with related parties;

***Explanation:*** The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the whistle blower mechanism;
19. Approval of appointment of 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; and
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

***Nomination and Remuneration Committee***

Our Nomination and Remuneration Committee was constituted pursuant to resolution of our Board dated July 28, 2018. Our Nomination and Remuneration Committee comprises of the following members:

| Name of Director | Designation | Nature of Directorship |
|---|---|---|
| Tushar Trivedi | Chairman | Independent Director |
| Premal Mehta | Member | Independent Director |
| Pratiksha Pingle | Member | Independent Director |

Terms of Reference for the Nomination and Remuneration Committee are as follows:

The Nomination and Remuneration Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

1. 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;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. Devising a policy on Board diversity; and
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. 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.
6. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
    - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

7. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Further. the Nomination and Remuneration Committee shall have the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and shall have power to obtain external professional advice, if necessary.

***Stakeholders Relationship Committee***

Our Stakeholders Relationship Committee was constituted pursuant to resolution of our Board dated July 28, 2018. Our Stakeholders Relationship Committee comprises of the following members:

| Name of Director | Designation | Nature of Directorship |
|---|---|---|
| Tushar Trivedi | Chairman | Independent Director |
| Srinivas Koora | Member | Whole-Time Director |
| Jaison Jose | Member | Whole-Time Director |

Terms of Reference for the Stakeholders Relationship Committee are as follows:

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

1. Considering and resolving grievances of shareholders', debenture holders and other security holders;
2. Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, balance sheets of the Company, etc.;
3. Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
5. Carrying out any other function contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

**Management Organization Structure**

Set forth is the organization structure of our Company

**Our Key Management Personnel**

In addition to Sandipan Chattopadhyay, Managing Director and Chief Executive Officer, Srinivas Koora, Whole-time Director and Chief Financial Officer, Vishal Chaddha, Whole-time Director and Jaison Jose, Whole-time

Director, whose details have been provided under the paragraph "*Brief profile of our Directors*", the details of our other Key Management Personnel, are as follows:

**Vaishali Kondbhar,** aged 27 years, is the Company Secretary and Compliance Officer of our Company. She holds a degree of Bachelor of Commerce from the University of Mumbai. She is also a qualified Company Secretary. She has more than 3 years of experience in the field of legal and secretarial operations. Prior to joining our Company, she has worked with KOOH Sports Private Limited. She was appointed pursuant to a resolution of our Board at their meeting on July 23, 2018, with effect from July 24, 2018 for an annual remuneration of ₹ 420,000.

All the Key Management Personnel are permanent employees of our Company.

**Relationship of Key Management Personnel with our Directors, Promoters and / or other Key Management Personnel**

Sandipan Chattopadhyay, our Managing Director and Chief Executive Officer, is the husband of Bhavna Chattopadhyay, who is a Non-Executive Director on our Board. Except for the foregoing, none of our Key Management Personnel are related to any of our Directors or Promoters or to each other.

**Contingent and deferred compensation payable to Key Management Personnel**

With respect to our Key Management Personnel, there is no contingent or deferred payment accrued for Fiscal 2018, except for the commission to be paid to the Key Management Personnel.

**Shareholding of the Key Management Personnel**

For details of shareholding of our Key Management Personnel in our Company, see "*Capital Structure - Shareholding of our Directors and Key Managerial Personnel in our Company*" on page 82.

**Interest of our Key Management Personnel in our Company**

None of our Key Management Personnel have any interest in our Company except to the extent of their, remuneration, benefits and reimbursement of expenses incurred by them in the ordinary course of business, which they receive from our Company, their shareholding in our Company, if any, and loans availed from our Company, if any.

Our Key Management Personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

**Changes in our Key Managerial Personnel since incorporation**

Except as set out under "- *Changes in our Company's Board of Directors since incorporation*", the following are the details of changes in our Key Managerial Personnel since incorporation:

| Name of Director | Date of appointment | Date of cessation | Reason |
|---|---|---|---|
| Vaishali Kondbhar | July 24, 2018 | - | Appointment |
| Abhay Kadam | - | July 24, 2018 | Resignation |
| Abhay Kadam | December 1, 2017 | - | Appointment |

**Bonus or Profit Sharing Plan for our Key Management Personnel**

Our Company does not have a bonus or profit sharing plan for any of our Key Management Personnel.

**Loans to Key Management Personnel**

Our Company has not granted any loans to any of our Key Management Personnel.

**Service Contracts with Key Management Personnel**

Except for the terms set forth in the appointment letters of each of the above Key Managerial Personnel, our Company or Subsidiaries have not entered into any other contractual arrangements with any of our Key Managerial Personnel.

**Payment of non-salary related benefits to officers of our Company**

Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary related amount or benefit has been paid, in the two years preceding this Draft Red Herring Prospectus, or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

None of our Key Management Personnel are a party to any bonus or profit sharing plan.

**Arrangements and understanding with major shareholders, customers, suppliers or others**

None of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

**Employees Stock Options**

Our Company has formulated an ESOP plan, namely 'Xelpmoc Employee Stock Option Scheme 2018' ("**ESOP 2018**") pursuant to a resolution of our Board of Directors dated July 23, 2018 and resolution of the shareholders dated July 28, 2018. The objective of ESOP 2018 is inter alia to motivate the employees with incentives and reward opportunities and enable our Company to attract and retain appropriate human talent in the employment of our Company. The ESOP 2018 is in compliance with SEBI ESOP Guidelines. As on the date of the DRHP, our Company has not granted any stock options to our employees. For further information, see "*Capital Structure*" on page 73.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company are:

1. Sandipan Chattopadhyay;
2. Srinivas Koora; and
3. Jaison Jose

As on the date of this Draft Red Herring Prospectus, our Promoters hold 7,456,990 Equity Shares, constituting 73.08% of the issued, subscribed and paid-up equity share capital of our Company. For details on the Equity Shares held by our Promoters in our Company as on the date of this Draft Red Herring Prospectus, see "*Capital Structure"* on page 73.

### Details of our Promoters

The details of our Promoters are set forth below:

**Sandipan Chattopadhyay**

Sandipan Chattopadhyay, aged 45 years, is the Managing Director of our Company. For further details, see "*Our Management*" on page 129.

Driving license number:MH02 20070037308
Voter identification number: Not available

**Srinivas Koora**

Srinivas Koora, aged 42 years, is a Whole-Time Director and the Chief Financial Officer of our Company. For further details, see "*Our Management*" on page 129.

Driving license number: 4685/NZB/99.
Voter identification number: Not available

**Jaison Jose**

Jaison Jose, aged 38 years, is a Whole-Time Director of our Company. For further details see "*Our Management*" on page 129.

Driving license number: MH02 20070037308.
Voter identification number: FCS1780345.

Our Company confirms that the permanent account numbers, bank account numbers and the passport numbers of our Promoters shall be submitted to the Stock Exchanges at the time of submission of this Draft Red Herring Prospectus.

**Other Ventures**

Except as disclosed in "*Our Management – Other Directorships*", our Promoters are not partners, Directors or members of any other venture or company.

**Changes in the management and control of our Company**

Except as disclosed in "*Our Management"* on page 129, there have been no changes in the management and control of our Company since inception.

**Disassociation by Promoters since inception**

Except as provided below, our Promoters have not disassociated themselves from any venture since inception of our Company:

| Name of Promoter | Name of the venture | Reason for disassociation | Date of disassociation |
|---|---|---|---|
| Sandipan Chattopadhyay | Jzeva Signature Jewelcrafts Private Limited | Disinvestment | June 27, 2018 |
| Srinivas Koora | Jzeva Signature Jewelcrafts Private Limited | Disinvestment | August 23, 2018 |

**Interest of our Promoters**

*Interest of Promoters in the promotion of our Company*

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings and directorships in our Company and the dividend declared and due, if any, and employment related benefits paid by our Company. For further details, see "*Capital Structure*" and "*Our Management*" on pages 73 and 129, respectively.

*Interest of Promoters in our Company other than as Promoters*

Except as stated in "*Our Management*" and "*Related Party Transactions*" on pages 129 and 148, respectively, our Promoters do not have any interest in our Company other than as promoters.

*Interest of Promoters in the property of our Company*

Our Promoters do not have any interest in any property acquired by our Company within the two years preceding the date of this Draft Red Herring Prospectus, or proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus or in any transaction for acquisition of land, construction of buildings and supply of machinery etc.

**Payment of amounts or benefits to our Promoters or Promoter Group during the last two years**

Except as disclosed in the sub-section "– *Interest of Promoters*" mentioned above, no amount or benefit has been paid or given or intended to be paid or given by our Company to our Promoters or members of our Promoter Group in the two years preceding the date of this Draft Red Herring Prospectus, or is intended to be paid or given to our Promoters or members of our Promoter group.

**Litigation involving our Promoters**

For details of legal and regulatory proceedings involving our Promoters, see "*Outstanding Litigation and Material Developments*" on page 303.

**Related party transactions**

Except as stated in "*Related Party Transactions*" on page 148, our Company has not entered into any related party transactions with our Promoters, since incorporation.

**Confirmations**

Our Company has not made any payments in cash or otherwise to our Promoters or to the firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company.

Further, none of our sundry debtors are related to our Promoters in any manner.

**Our Promoter Group**

*(a) Individuals forming part of the Promoter Group*

The natural persons who are part of our Promoter Group (being the immediate relatives of our Promoters) are as follows:

| Relationship with the Promoters | Sandipan Chattopadhyay | Srinivas Koora | Jaison Jose |
|---|---|---|---|
| Father | Samiran Chatterjee | - | Vadakkel Chacko Jose |
| Mother | Krishna Chatterjee | Koora Mala | Celine Jose |
| Brother | - | - | - |
| Sister | Shreyashi Chatterjee | Savitha Regonda | Natasha Nayar |
| | | Padma B Pekamwar | |
| Spouse | Bhavna Chattopadhyay | Koora Manjula | Bobby Jose |
| Daughter | Samridhhi Chattopadhyay | Koora Anjana | Hazel Jose |
| | Sampriti Chattopadhyay | Koora Anushka | |
| Son | - | - | - |
| Spouse's Father | Madan Lal Bhambri | Ganapuram Purshotam Rao | Vanalloor Kochummen George |
| Spouse's Mother | Bimlesh Bhambri | Ganapuram Janaki | Achiamma George |
| Spouse's Brother | - | Ganapuram Muralidhar | Boban George |
| | | Ganapuram Surendar | |
| | | Ganapuram Mahendar | |
| | | Ganapuram Ravindar | |
| Spouse's Sister | Shashi Tandon | Nagoti Vijaya | - |
| | Rachna Malhotra | Katakam Jayasree | |

*(b) Entities forming part of the Promoter Group*

The companies and entities that form part of our Promoter Group are as follows:

| Sr. No. | Name of the Promoter Group Entities |
|---|---|
| | ***Companies*** |
| 1. | Mihup Communications Private Limited |
| 2. | Tijoree ECom Private Limited |
| 3. | Folk Products and Design Private Limited |
| 4. | Agronauts Technologies Private Limited |

| Sr. No. | Name of the Promoter Group Entities |
|---|---|
| 5. | Xap Technologies Private Limited |
| 6. | Saka Tech Labs Private Limited |

The Promoter Group of our Company does not include Digamber Koora; brother of Srinivas Koora, our individual Promoter, or any entity in which Digamber Koora may have an interest; since Digamber Koora has refused to provide any information pertaining to himself or such entities. For further details, see "*Risk Factors – The Promoter Group of our Company does not include Digamber Koora, brother of Srinivas Koora, our individual Promoter, or any entity in which Digamber Koora may have an interest."* on page 18.

**Shareholding of the Promoter Group in our Company**

For details in relation to the shareholding of our Promoters and Promoter Group as on the date of this Draft Red Herring Prospectus, see "*Capital Structure – Shareholding of our Promoters and the members of our Promoter Group*" on page 78.

**Other Confirmations**

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Our Promoters and members of our Promoter Group have not been declared as willful defaulters as defined under the SEBI ICDR Regulations.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

**Common Pursuits of our Promoters and Members of Promoter Group**

Except for Xap Technologies Private Limited, which is also engaged in the technology and services business, there are no common pursuits between our Company and any of our Associate Companies or Members of our Promoter Group. As on the date of this Draft Red Herring Prospectus, there is no conflict of interest between our Company and Xap Technologies Private Limited since it operates in a different geography than our Company, i.e., in Andhra Pradesh.

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, for the purpose of identification of "group companies" in relation to the disclosure in Issue documents, our Company has considered:

- companies covered under applicable accounting standards (i.e., companies disclosed as related parties in accordance with Indian Accounting Standard 24 issued by the ICAI) as per the Restated Audited Financial Information; and

- other companies that are considered material by our Board pursuant to the materiality policy adopted by the Company by a board resolution dated July 28, 2018.

Pursuant to a resolution of our Board dated July 28, 2018, for the purpose of disclosure in the Draft Red Herring Prospectus, a company shall be considered 'material' by our Board if:

(a) such company is a member of our Promoter Group and the Company has entered into one or more transactions with such company in the most recent Fiscal Year, being Fiscal Year 2018 and any stub period (in respect of which restated financial statements are included in offer documents) which, individually or in the aggregate, exceed 10% of the total standalone revenues of the Company, as per the last annual restated standalone financial statements; or

(b) such company would, subsequent to the Relevant Period, require disclosure in the standalone and consolidated financial statements of the Company for subsequent periods as an entity covered under Indian Accounting Standard 24, in addition to/ other than those companies covered in the schedule of related party relationships in terms of the Indian Accounting Standard 24 in the restated standalone and consolidated financial statements of the Company for the Relevant Period

Pursuant to the materiality policy set out hereinabove, our Company does not have any Group Companies as on date of this Draft Red Herring Prospectus.

## RELATED PARTY TRANSACTIONS

For details of the related party disclosures, as per the requirements under the relevant accounting standards, see "*Notes Forming Part of the Restated Standalone Financial Information - Note 26 – Related Party Disclosures*" of the Restated Standalone Financial Statements and "*Notes Forming Part of the Restated Consolidated Financial Information - Note 26 – Related Party Disclosures*" of the Restated Consolidated Financial Statements, see on page 237 and 194, respectively.

## DIVIDEND POLICY

As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy. 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. The dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position of our Company. Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends since incorporation.

## SECTION V – FINANCIAL INFORMATION

## FINANCIAL STATEMENTS

| Sr. No. | Details |
|---|---|
| 1. | Restated Standalone Financial Statements |
| 2. | Restated Consolidated Financial Statements |

## EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

Ref. JHS/MUM/2018-19/21

To,

**The Board of Directors,**
**Xelpmoc Design and Tech Limited,**
**Bangalore.**

Dear Sirs,

1. We have examined, the attached Restated Consolidated Financial Information of Xelpmoc Design and Tech Limited (the "Company") and its Associates and Joint Venture (hereinafter together referred to as the 'Group'), which comprises of Restated Consolidated Statement of Assets and Liabilities of the Company as at March 31,2018 and March 31, 2017, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the years ended March 31, 2018, and March 31, 2017 and Summary of Significant Accounting Policies and accompanying annexures to Restated Consolidated Financial Information (collectively referred as "Restated Consolidated Financial Information") annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its proposed initial public offer ("IPO"). The Restated Consolidated Ind AS Financial Information, which has been approved by the Board of Directors of the Company, 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") read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014;

   b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 on Clarification regarding disclosures in Offer Documents issued by the Securities and Exchange Board of India (the "SEBI"); and

   c. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note")

**Management's Responsibility for the Restated Consolidated Ind AS Summary Statements**

2. The preparation of the Restated Consolidated Ind AS Financial Information, which are to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Ind AS Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the ICDR Regulations.

**Auditors' Responsibilities**

3. We have examined such Restated Consolidated Financial Information taking into consideration:

   a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated April 17, 2018 in connection with the proposed Initial Public Offering (IPO) of the Company;

   b. The Guidance Note (Revised) on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India;

   c. The requirements of Section 26 of the Act and the ICDR Regulations; and

   d. The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

4. The Restated Consolidated Financial Information, expressed in Indian Rupees, in thousands, have been compiled by the Management from :

   a. The audited consolidated financial statements of the Company for the year ended March 31, 2018 and 2017 are prepared in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, ("Indian GAAP") read with Companies (Accounting Standards) Rules, 2015, as amended which have been approved by the Board of directors at their meeting held on 23rd July, 2018 and 4th September, 2017 respectively.

   b. The Consolidated Financial Statements for the year ended March 31, 2017 were not audited by us. M/s Venu and Vinay, Chartered Accountants, (the "Prior Auditors") have audited the consolidated financial statements of the Company as at and for the financial year ended March 31, 2017. Accordingly reliance has been placed on the consolidated audited statements of accounts and audit report thereon issued by the Prior Auditors for the financial year audited by them.

5. Our work has been carried out in accordance with the Standards on Auditing under section 143(10) of the Act, Guidance Note on Reports in Company Prospectuses (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable rules and the ICDR Regulations. This work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the Issue.

**Opinion**

6. In accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with the Rules, the ICDR Regulations and the Guidance Note, we have examined the following summarized financial statements of the Company contained in the Restated Consolidated Financial Information of the Company which have been arrived after making adjustments and regrouping /reclassifications, which in our opinion were appropriate, and have been fully described in Annexure VI: Notes on Restatement Adjustments to audited consolidated financial statements and based on our examination, we report that :

i. The Restated Consolidated Statement of Assets and Liabilities of the Company, as at March 31, 2018 and March 31, 2017 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure VI.

ii. The Restated Consolidated Statement of Profit and Loss of the Company, for the years ended March 31, 2018 and March 31, 2017 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI.

iii. The Restated Consolidated Statement of Changes in Equity of the Company, for the years ended March 31, 2018 and March 31, 2017, examined by us, as set out in Annexures III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI.

iv. The Restated Consolidated Statement of Cash Flows of the Company for the years ended March 31, 2018 and March 2017 examined by us, as set out in Annexures IV to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI.

7. Based on the above and according to the information and explanations given to us, we further report that the Restated Consolidated Financial Information of the Company, as attached to this report and as mentioned in paragraph 7 above, read with Notes on Adjustments for Restatement of Consolidated Profit and Loss (Annexure VI) Significant Accounting Policies and Notes forming part of the Financial Information (Annexure V) have been prepared in accordance with the Act, the Rules, and the ICDR Regulations and ;

   a. have been made after incorporating adjustments for the changes in accounting policies of the Company in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting years/period;
   b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;
   c. There are no qualifications in the Auditor's Report on the audited consolidated financial statements of the Company as at March 31, 2018 and March 31, 2017 which require any adjustments; and
   d. There are no extra-ordinary items that needs to be disclosed separately.

8. We have also examined the following Restated Consolidated Financial Information of the Company set out in the Annexures prepared by the Management and approved by the Board of Directors on August 24, 2018 as at and for the years ended on March 31, 2018 and March 31, 2017

   1) Notes on Adjustment for Restatement of Consolidated Profit and Loss as enclosed in Annexure VI;
   2) Significant Accounting Policies and Notes forming part of the Restated Consolidated Financial Information as enclosed in Annexure V(1);
   3) Restated Consolidated Summary Statement of Property, Plant and Equipment as enclosed in Note 1 to Annexure V(2);
   4) Restated Consolidated Summary Statement of Investments as enclosed in Note 2 & 3 to Annexure V(2);
   5) Restated Consolidated Summary Statement of Non - Current Loans as enclosed in Note 4 to Annexure V(2);
   6) Restated Consolidated Summary Statement of Other Non-current Financial Assets as enclosed in Note 5 to Annexure V(2);
   7) Restated Consolidated Summary Statement of Other Non-current Assets as enclosed in Note 6 to Annexure V(2);
   8) Restated Consolidated Summary Statement of Trade receivables as enclosed in Note 7 to Annexure V(2);

9) Restated Consolidated Summary Statement of Cash and Cash Equivalents as enclosed in Note 8to Annexure V(2);
10) Restated Consolidated Summary Statement of Other Current Financial Assets as enclosed in Note 9 to Annexure V(2);
11) Restated Consolidated Summary Statement of Other Current Assets as enclosed in Note 10 to Annexure V(2);
12) Restated Consolidated Summary Statement of Equity Share Capital as enclosed in Note 11 to Annexure V(2);
13) Restated Consolidated Summary Statement of Other Equity as enclosed in Note 12 to Annexure V(2);
14) Restated Consolidated Summary Statement of Other Non-Current Provision as enclosed in Note 13 to Annexure V(2);
15) Restated Consolidated Summary Statement of Deferred Tax Liability as enclosed in Note 14 to Annexure V (2);
16) Restated Consolidated Summary Statement of Trade Payable as enclosed in Note 15 to Annexure V(2) ;
17) Restated Consolidated Summary Statement of Other Current Financial Liabilities as enclosed in Note 16 to Annexure V(2);
18) Restated Consolidated Summary Statement of Other Current Liabilities as enclosed in Note 17 to Annexure V(2);
19) Restated Consolidated Summary Statement of Current Provisions as enclosed in Note 18 to Annexure V(2);
20) Restated Consolidated Summary Statement of Revenue from Operations as enclosed in Note 19 to Annexure V(2);
21) Restated Consolidated Summary Statement of Other Income (Net) as enclosed in Note 20 to Annexure V(2);
22) Restated Consolidated Summary Statement of Employee Benefit Expense as enclosed in Note 21 of Annexure V(2);
23) Restated Consolidated Summary Statement of Finance costs as enclosed in Note 22 of Annexure V(2);
24) Restated Consolidated Summary Statement of Depreciation and Amortization Expense as enclosed in Note 23 of Annexure V(2);
25) Restated Consolidated Summary Statement of Other Expense expenses as enclosed in Note 24 to Annexure V(2);
26) Restated Consolidated Summary Statement of Earing Per Share as enclosed in Note 25 to Annexure V(2);
27) Statement of Related Party Transactions as enclosed in Note 26 to Annexure V(2);and
28) Restated Consolidated Summary Statement of Additional information as enclosed in Note 27, 28, 29, 30, 31, 32 and 33 to Annexure V(2);
29) Restated Consolidated Statement of Accounting Ratios as enclosed in Annexure VII.
30) Restated Consolidated Statement of Tax Shelter as enclosed in Annexure VIII; and
31) Restated Consolidated statement of Capitalisation as enclosed in Annexure IX.

According to the information and explanations given to us, in our opinion, the Restated Consolidated Financial Information contained in Annexures I to IV and the above Restated Consolidated Other Financial Information contained in Annexures V to IX accompanying this report, read with Significant Accounting Policies and Notes forming part of the Restated Consolidated financial information disclosed in Annexure V, are prepared after making adjustments and regroupings or reclassifications as considered appropriate and have been prepared in accordance with the Act, the Rules, and the ICDR Regulations and the Guidance Note.

9. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or the Prior Auditors of the Company, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

**Restriction on Use**

**11.** Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, Registrar of Companies, Karnataka, Bengaluru National Stock Exchange of India Limited and BSE Limited in in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For JHS & Associates LLP**
**Chartered Accountants**
**Firm Registration No. 1333288W/W100099**

**CA. Huzeifa Unwala**
**Partner**
**Membership No.: 105711**
**Place: Mumbai**
**Dated: August 24, 2018**

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**

**Annexure I: Restated Consolidated Summary Statement of Assets and Liabilities**

*Rupees in '000*

| | Annexure | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|---|
| **I. ASSETS** | | | |
| **Non-current assets** | | | |
| (a) Property, Plant and Equipment | 1 | 3,089.55 | 882.41 |
| (b) Financial Assets | | | |
| (i) Investments in joint ventures & associates | 2 | 1,511.00 | - |
| (ii) Other Investments | 3 | 189,967.93 | 174,101.22 |
| (iii) Loans | 4 | 4,692.12 | 4,000.00 |
| (iv) Others | 5 | 1,066.67 | - |
| (c) Non-Current Tax Assets (Net) | 6 | 5,528.69 | 347.81 |
| **Total Non Current Assets** | | **205,855.96** | **179,331.43** |
| **Current assets** | | | |
| (a) Financial Assets | | | |
| (i) Trade receivables | 7 | 15,917.40 | 4,688.63 |
| (ii) Cash and cash equivalents | 8 | 21,712.95 | 2,070.89 |
| (iii) Others | 9 | 2,294.89 | 341.12 |
| (b) Other current assets | 10 | 261.42 | 775.86 |
| | | **40,186.66** | **7,876.50** |
| **Total Current Assets** | | **40,186.66** | **7,876.50** |
| **TOTAL ASSETS** | | **246,042.65** | **187,207.82** |
| **II. EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| (a) Equity Share capital | 11 | 65,171.32 | 48,749.98 |
| (b) Other Equity | 12 | 125,788.71 | 83,380.98 |
| **Total Equity** | | **190,960.03** | **132,130.96** |
| **2. Liabilities** | | | |
| **Non-current liabilities** | | | |
| (a) Provisions | 13 | 1,614.29 | 318.96 |
| (b) Deferred tax liabilities (Net) | 14 | 44,776.81 | 45,271.52 |
| **Total Non Current Liabilities** | | **46,391.11** | **45,590.48** |
| **Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Trade payables | 15 | 752.20 | 752.27 |
| (ii) Other financial liabilities | 16 | 5,275.47 | 8,434.92 |
| (b) Other current liabilities | 17 | 2,606.23 | 299.19 |
| (c) Provisions | 18 | 57.62 | - |
| **Total Current Liabilities** | | **8,691.52** | **9,486.38** |
| **TOTAL EQUITY AND LIABILITIES** | | **246,042.65** | **187,207.82** |

Significant Accounting Policies and accompanying Notes form an integral part of the Consolidated Financial Statements

Note: The above statements should be read with Significant Accounting Policies in Annexure V (1) and Notes forming part of the Restated Consolidated Financial Information in Annexure V (2).

In terms of our report attached

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

**For Xelpmoc Design and Tech Limited**

**CA. Huzeifa Unwala**
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary
Place: Mumbai
Date: August 24, 2018

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**

**Annexure II: Restated Consolidated Summary Statement of Profit and Loss**

*Rupees in '000*

| | | Note No. | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|---|---|
| **Revenue** | | | | |
| I | Revenue from Operations | 19 | 48,700.34 | 18,838.96 |
| II | Other Income | 20 | 610.04 | 396.51 |
| **III** | **Total Income (I + II)** | | **49,310.38** | **19,235.47** |
| **IV** | **Expenses** | | | |
| | Employee Benefits Expense | 21 | 36,512.90 | 31,673.03 |
| | Finance Costs | 22 | 34.94 | 54.31 |
| | Depreciation and Amortization Expense | 23 | 729.69 | 909.28 |
| | Other Expenses | 24 | 47,620.40 | 15,078.44 |
| | **Total Expenses** | | **84,897.92** | **47,715.05** |
| **V** | **Profit Before Share of Net Profit of Associates and Joint Ventures accounted using Equity method and Tax** | | **(35,587.54)** | **(28,479.58)** |
| | **Share of Net Profit of Associates and Joint Ventures accounted using Equity method** | | **331.00** | **(25.00)** |
| **VI** | **Profit Before Tax (III-IV)** | | **(35,256.54)** | **(28,504.58)** |
| **VII** | **Tax Expense** | | | |
| | (1) Deferred Tax | | (224.20) | 54.74 |
| | **Total Tax Expense** | | **(224.20)** | **54.74** |
| **VIII** | **Profit (Loss) for the period from continuing operations (VII-VIII)** | | **(35,032.34)** | **(28,559.32)** |
| **IX** | **Profit/(loss) from discontinued operations** | | - | - |
| **X** | **Profit for the Year (V-VI)** | | **(35,032.34)** | **(28,559.32)** |
| **XI** | **Other Comprehensive Income** | | | |
| **A** | **(i) Items that will not be reclassified to profit or loss** | | | |
| | Remeasurements of defined benefit plans | | (677.05) | (146.28) |
| | Income tax effect | | 176.03 | 38.03 |
| | Net (loss)/gain on FVTOCI equity securities | | (362.35) | 137,379.95 |
| | Income tax effect | | 94.21 | (35,718.79) |
| | **Total Comprehensive Income for the year (X+XI)** | | **(35,801.49)** | **72,993.60** |
| **XII** | **Earnings per Equity Share *(Face Value ` 10)*** | 25 | | |
| | (1) Restated Basic (`) | | (3.72) | (5.18) |
| | (2) Restated Diluted (`) | | (3.72) | (5.18) |

Significant Accounting Policies and accompanying Notes form an integral part of the Consolidated Financial Statements
Note: The above statements should be read with Significant Accounting Policies in Annexure V (1) and Notes forming part of the Restated Consolidated Financial Information in Annexure V (2).

In terms of our report attached

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

**For Xelpmoc Design and Tech Limited**

**CA. Huzeifa Unwala**
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary
-
Place: Mumbai
Date: August 24, 2018

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**

**Annexure III: Restated Consolidated Summary Statement of Changes in Equity**

| **(a) Equity share capital** | ***Rupees in '000*** |
|---|---|
| As at April 1, 2016 | 18,749.99 |
| Changes in equity share capital during the year | 29,999.99 |
| **As at March 31, 2017** | **48,749.98** |
| Changes in equity share capital during the year | 16,421.34 |
| **As at March 31, 2018** | **65,171.32** |

**Note 14: Restated summary statement of changes in equity**

**(b) Other equity (Refer Note )** ***Rupees in '000***

| **Particulars** | **Securities premium reserve** | **Retained Earnings** | **Other comprehensive income** | **Total** |
|---|---|---|---|---|
| **Opening balance as at 1 April 2016** | **-** | **(16,730.44)** | **27,117.82** | **10,387.38** |
| Premium on issuance of equity shares | | | | |
| Profit for the year | | (28,559.32) | | (28,559.32) |
| Remeasurements of defined benefit plans | | | (108.25) | (108.25) |
| Net (loss)/gain on FVTOCI equity securities | | | 101,661.16 | 101,661.16 |
| **Total comprehensive income for the year** | **-** | **(28,559.32)** | **101,552.92** | **72,993.60** |
| **Balance at March 31, 2017** | **-** | **(45,289.76)** | **128,670.74** | **83,380.98** |
| Changes in accounting policy / prior period errors | | | | - |
| **Restated balance at the beginning of the reporting period** | **-** | **(45,289.76)** | **128,670.74** | **83,380.98** |
| Premium on issuance of equity shares pursuant to right issue | 78,209.22 | - | | 78,209.22 |
| Profit for the year | | (35,032.34) | - | (35,032.34) |
| Remeasurements of defined benefit plans | | | (501.02) | (501.02) |
| Net (loss)/gain on FVTOCI equity securities | | | (268.14) | (268.14) |
| Other comprehensive income for the year | | | | - |
| **Total comprehensive income for the year** | **78,209.22** | **(35,032.34)** | **(769.15)** | **42,407.73** |
| **Balance at March 31, 2018** | **78,209.22** | **(80,322.09)** | **127,901.58** | **125,788.71** |

Significant Accounting Policies and accompanying Notes form an integral part of the Consolidated Financial Statements
Note: The above statements should be read with Significant Accounting Policies in Annexure V (1) and Notes forming part of the Restated Consolidated Financial Information in Annexure V (2).

In terms of our report attached

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

**CA. Huzeifa Unwala**
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**For Xelpmoc Design and Tech Limited**

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary

Place: Mumbai
Date: August 24, 2018

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**
**Annexure IV: Restated Consolidated Summary Statement of Cash Flows**

***Rupees in '000***

| | | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES:** | | | |
| Profit Before Income Tax | | | |
| Continuing operations | | (35,256.54) | (28,504.58) |
| Discontinued operations | | | |
| Profit Before Income Tax | | (35,256.54) | (28,504.58) |
| **Adjustment for:** | | | |
| Depreciation and Amortization Expense | 729.69 | | *909.28* |
| Interest Income | (383.10) | | *(314.51)* |
| Interest Expense | 34.94 | | *54.31* |
| Provision for Doubtful Debt | 3,783.05 | | - |
| Changes in fair value of financial assets at fair value through OCI | (362.35) | | *137,379.95* |
| Other Comprehensive Income- Remeasurement of defined benefit plan | (677.05) | | *(146.28)* |
| | | 3,125.17 | *137,882.74* |
| **Operating Cash Flows Before Working Capital Changes** | | (32,131.36) | *109,378.17* |
| **Adjustments for:** | | | |
| (Increase)/Decrease in Others (Non-Current Financial Assets) | 0.33 | | - |
| (Increase)/Decrease in Trade Receivables (Current) | (15,011.82) | | *(4,480.29)* |
| (Increase)/Decrease in Loans (Current Financial Assets) | - | | - |
| (Increase)/Decrease in Others (Current Financial Assets) | (1,570.67) | | *(10.00)* |
| (Increase)/Decrease in Other Current Assets | 514.44 | | *(643.49)* |
| Increase/(Decrease) in Provisions (Non-Current ) | 1,295.33 | | *242.36* |
| Increase/(Decrease) in Other non-current liabilities | - | | - |
| Increase/(Decrease) in Trade Payables | (0.07) | | *127.81* |
| Increase/(Decrease) in Other financial liabilities (Current) | 2,036.55 | | *3,059.98* |
| Increase/(Decrease) in Other current liabilities (Current) | 2,307.04 | | *(472.92)* |
| Increase/(Decrease) in Provisions (Current ) | 57.62 | | *(0.11)* |
| | | (10,371.26) | *(2,176.67)* |
| **Cash Generated from / (used) in Operations** | | (42,502.62) | *107,201.50* |
| **Adjustment for:** | | | |
| Income Taxes Paid | (5,180.87) | | *(347.81)* |
| Income Taxes Paid | | (5,180.87) | *(347.81)* |
| **Net Cash Flow from Operating Activities before investing and financing activities** | | (47,683.49) | *106,853.69* |
| Net Cash Flow from Operating Activities | | (47,683.49) | *106,853.69* |
| ***Balance carried forward*** | | **(47,683.49)** | ***106,853.69*** |

*Rupees in '000*

| | | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|---|
| *Balance Brought Forward* | | (47,683.49) | *106,853.69* |
| **B. CASH FLOW FROM INVESTING ACTIVITIES:** | | | |
| Payment for Purchase of Property, Plant and Equipment | (2,936.83) | | *(700.58)* |
| Intercorporate Loan | (692.12) | | *(2,000.00)* |
| Payment for Purchase / Reinvestment of Investments | (17,386.06) | | *(137,411.57)* |
| Application money paid towards securities | (1,066.67) | | |
| Sale of Investments | 8.00 | | |
| Net Cash Flow From Investing Activities | | (22,073.69) | *(140,112.15)* |
| **C. CASH FLOW FROM FINANCING ACTIVITIES:** | | | |
| Proceeds from Issues of Shares | 94,630.56 | | *29,999.99* |
| Borrowings from directors | 10,503.62 | | *5,196.38* |
| Loan repaid | (15,700.00) | | *(1,525.00)* |
| Interest on direct taxes | (34.94) | | *(54.00)* |
| Net Cash Inflow/ (Outflow) From Financing Activities | | 89,399.24 | *33,617.37* |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:** | | 19,642.06 | *358.91* |
| **CASH AND CASH EQUIVALENTS:** | | | |
| **AS AT THE BEGINNING** | | | |
| Cash and Bank Balances (Refer Note 21) | | 2,070.89 | *1,712.98* |
| | | 2,070.89 | *1,712.98* |
| **AS AT THE ENDING** | | | |
| Cash and Bank Balances | | 21,712.95 | *2,070.89* |
| | | 21,712.95 | *2,070.89* |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:** | | 19,642.06 | 358.91 |

Note:

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in IND AS 7, 'Statement of Cash Flows.'

2 There were no material differences between the Statement of Cash Flows presented under Ind AS and Previous GAAP.

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

**CA. Huzeifa Unwala**
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**For Xelpmoc Design and Tech Limited**

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary
Place: Mumbai
Date: August 24, 2018

**XELPMOC DESIGN AND TECH LIMITED**

**Annexure V(1) - Notes to the Ind AS Consolidated financial statements as at and for the year ended 31 March 2018**

## 1. Company Overview

XELPMOC DESIGN AND TECH LIMITED ("the Company") was incorporated 16th September 2015. The Company provides professional and technical consulting services The Company's services includes offering of technology services and solutions to public and private sector clients engaged in e-commerce, hospitality, healthcare, education, agriculture, and various other industries.

The range of services provided by the Company includes mobile and web application development, prototype development, thematic product development and data analytics assistance.

## 2. Significant accounting policies

### 2.1.1 Basis of preparation and presentation of consolidated financial statements

The Restated Consolidated Statement of Assets and Liabilities of the Company as at March 31,2018 and March 31, 2017, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the years ended March 31, 2018 and March 31, 2017 and accompanying annexures to Consolidated Financial information (collectively referred as "Restated Consolidated Financial Information") have been prepared specifically for the purpose of inclusion in the Offer documents to be filed by the Company with the Securities and Exchange Board of India ("SEBI") and Stock Exchanges in connection with the proposed Initial Public Offering ("IPO") of its Equity Shares.

These Restated Consolidated Financial Information has been prepared under Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016 issued by Ministry of Corporate Affairs read with Section 133 of the Companies Act, 2013 to the extent applicable.

The Restated Consolidated Financial Information have been compiled by the Company from the Audited Consolidated Financial Statements of the Company for the respective years ("Audited Consolidated Financial Statements") prepared under the previous generally accepted accounting principles followed in India ("Previous GAAP or Indian GAAP").

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented reconciliations between Restated Consolidated Financial Information with audited Consolidated Financials Statements prepared under previous GAAP for the year ended March 31 2018 and March 31 2017.

These Restated Consolidated Financial Information have been prepared in accordance with the requirements of:

(i) Section 26 to the Companies Act, 2013 read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014;

(ii) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 2016 (together referred to as the"SEBI regulations"

(iii) Guidance Note on Reports in Company Prospectus.

**a. Principles of Consolidation**

The Consolidated financial statements (CFS) of the company are prepared in accordance with Indian Accounting Standard 110 " Consolidated financial statements" and Indian Accounting Standard 28 "Investments in Associates and Joint Ventures " as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The Restated Consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its standalone restated financial statements.

**Joint Venture:**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement and 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 exist are similar to those necessary to determine control over the subsidiaries.

**Associate:**

An associate is an entity over which the company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Company's investments in its joint venture and associate are accounted for using the equity method. Under the equity method, the investment in a joint venture and associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture and associate since the acquisition date.

Disclosure relating to entities consolidated in the restated consolidated financial statements:

**Joint Venture considered for consolidation:**

| S. No | Name of the Joint Venture | Country of Incorporation | Nature of business | Ownership interest as at 31 March 2018 | Ownership interest as at 31 March 2017 |
|---|---|---|---|---|---|
| 1. | Fortigo Network Xelpmoc Pvt. Ltd. | India | The company is engaged in providing Software Development Services and IT enabled services. | 49% | Nil |

**Associates considered for consolidation**

| No. | Name of the Associates | Country of incorporation | Nature of business | Ownership interest as at 31 March 2018 | Ownership interest as at 31 March 2017 |
|---|---|---|---|---|---|
| 1. | IFTOSI Jewels Pvt. Ltd. | India | The company is engaged in the business of providing online market place for diamond solitaires, fine jewellery and bullion purchases. | 17% | 25% |
| **2.** | Madworks Ventures Pvt. Ltd. | India | The company is involved in the business of developing, designing, maintaining and selling internet / web / mobile / tabloid based applications (popularly known as "apps") | 21.74% | Nil |

**1. Fortigo Network Xelpmoc Pvt. Ltd.**

The company acquired 49,000 ordinary shares of Re. 1 each of Fortigo Network Xelpmoc Private limited on 17 March 2017. The shares were acquired at par value. Post this acquisition the company holds 49% of the equity share capital of the investee company (31 March 2017: Nil, 31 March 2016: Nil)

**2. IFTOSI Jewels Pvt. Ltd.**

The company disposed of 800 ordinary shares of IFTOSI Jewels Private Limited on 31 March 2018. The shares were disposed at cost price resulting in no profit or gain to the company. Subsequent to this disposal, the holding of the company in the investee is reduced to 17% (31 March 2017: 25%, 31 March 2016: Nil)

**3. Madworks Ventures Pvt. Ltd.**

The company acquired 15,204 ordinary shares of Re. 10 each and 57,018 convertible preference shares of Rs. 10 each of Madworks Ventures Private limited on 14 February 2018. The shares were acquired at par value. The preference shares have the same voting rights on as if converted basis as per the shareholder agreement and hence the same are treated at par with equity by the company. Post this acquisition the company holds 21.74 % of the share capital of the investee company on a fully diluted basis (31 March 2017: Nil, 31 March 2016: Nil)

**Uniform accounting policies**

The Restated Consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the Consolidated Restated Consolidated financial statements and are presented in the same manner as the Company's restated consolidated financial statements.

**Investment in Joint Ventures (JV) and Associatess**

The company has accounted its investment in the JV and associates in the consolidated financial statements using the equity method. Under the equity method, the investment in JV and associate is initially recognized at cots. The carrying amount of the investment is adjusted to recognize changes in the company's share of

net assets of the JV and associate since the acquisition date. Goodwill relating to the JV and associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the company's share of the results of operations of the JV and associates. Any change in OCI of those investees is presented as part of the company's OCI. In addition, when there has been a change recognized directly in the equity of the associate, the company recognizes its shares of any changes, when applicable in the statement of changes in equity.

Gains and losses arising from transactions between the company and its associate and JV are recognized in the consolidated financial statements only to the extent of unrelated investors' interest in the associate and JV.

b. The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

| **Items** | **Measurement Basis** |
|---|---|
| Certain financial assets and liabilities (including derivative instruments) | Fair Value |
| Net defined benefit asset/liability | Fair value of the plan assets less present value of defined benefit obligation |

The Consolidated Financial Statements are presented in Indian Rupee (INR), which is also the functional currency of the Company. All amounts have been rounded-off to the nearest thousands up to two decimals, unless otherwise indicated.

The Restated Ind AS Consolidated Financial information were authorized for issue in accordance with a resolution of the directors on July 28, 2018.

**c. Use of estimates and judgments**

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

***Assumptions, judgements and estimation uncertainties***

Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2018 are made in in the following notes:

- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Estimation of useful life of property, plant and equipment
- Estimation of current tax expense and payable;
- Impairment of Financial Assets;
- Lease classification; and,
- Lease: whether an arrangement contains a lease

**d. Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The company regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level I: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of and asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in – Fair Value Measurements (Note: 30 Financial Instruments - Fair values and risk management)

**e. Current versus non-current classification :**

The Company presents 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 realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- 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:

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

The Company 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 Company has identified twelve months as its operating cycle.

2.2 **Property, plant and equipment**

***i. Recognition and measurement***

Items of property, plant and equipment are capitalized at cost (which includes capitalized borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, non-recoverable duties and taxes, freight, installation charges and any directly attributable cost of bringing the items to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit and loss.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

***ii. Depreciation***

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value or on straight line basis based on the management estimates of benefits to be derived from its tangible assets. Depreciation for assets purchased / sold during the period is proportionately charged.

Depreciation on tangible fixed assets has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of items property, plant and equipment for the current and comparative periods are as follows;

| **Asset** | **Useful Life** |
|---|---|
| Office equipment | 5-7 years |
| Computer | 3 – 4 years |

***iii. Disposal***

Gains and losses on disposal are determined by comparing net sale proceeds with carrying amount. These are included in statement of profit and loss.

2.3 **Intangible assets**

***i. Recognition and measurement***

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any non-recoverable duties and taxes and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

***ii. Amortization***

The cost of the computer software capitalized as intangible asset is amortized over the estimated useful life.

The estimated useful lives are as follows:

| **Asset** | **Useful Life** |
|---|---|
| Computer Software | 4-6 Years |

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

2.4 **Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

2.5 **Non-Current assets (or disposal groups) held for sale and discontinued operations:**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value
less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss
previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as
held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

2.6 **Impairment**

***i. Financial assets***

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through the statement of profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit or loss.

Time barred dues from the government / government departments / government companies are generally not considered as increase in credit risk of such financial asset.

***ii. Non- financial assets***

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the statement of profit and loss.

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date 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 that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made 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.

3 **Leases**

***i. Determining whether an arrangement contains a lease***

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the

underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the incremental borrowing rate.

***ii. Assets held under lease***

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Company's Balance Sheet.

***iii. Lease payments***

Payments made under operating leases are generally recognized in the statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The company is generally required to pay refundable security deposits for entering into various lease agreements with lessors. Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments.

Subsequent to initial recognition, the security deposit is measured at amortized cost using the effective interest method with the carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognized as interest income. The lease prepayment is amortized on a straight line basis over the lease term as lease rental expense.

4 **Financial instruments**

***i. Recognition and initial measurement***

All financial assets are recognized on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the time frame established by the market concerned. Financial assets or financial liabilities are initially measured at fair value, plus transaction costs, except for those financial assets and liabilities which are classified as at fair value through profit or loss (FVTPL) at inception.

***ii. Classification of financial assets***

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes.

***iii. Measurement***

At initial recognition, the company 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 that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**a. Debt Instruments**

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The company classifies its debt instruments as:

**Amortized cost:**
Debt Instruments that are held for collection of contractual cash flows where those cash Flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Debt instrument at FVTOCI:**

A ‘debt instrument’ 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss (P&L). Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL:**
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**b. Equity Instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value. All changes in fair value including dividend are recognized in the statement of profit and loss.

**c. Trade receivables:**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expect to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business if longer), they are classified as current assets otherwise as non-current assets.
Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 18 (or when the entity applies the practical expedient) or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognized on initial recognition.

**d. Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company. Trade and other payables are presented as current liabilities if payment is due within 12 months after the reporting period otherwise as non-current. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**iv. *Derecognition***

***Financial assets***

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

***Financial liabilities***

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the statement of profit or loss.

**v.** ***Offsetting***

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**vi.** ***Reclassification***

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL.

5 **Revenue**

**i) Sale of Services**

Revenue from services is recognized over the period of the contract. Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from services comprises income from time & material and fixed price contracts. Revenue with respect to time & material contracts is recognized when the related services are performed. Revenue from fixed price contracts is recognized over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion.

Losses on such contracts are recognized when probable. Revenue in excess of billings is recognized as unbilled revenue in the balance sheet; to the extent billings are in excess of revenue recognized, the excess is reported as unearned and deferred revenue in the balance sheet.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to the management.

**ii) Other Income**

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

## 6. Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognized as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. 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.

## 7. Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or other comprehensive income.

### *i. Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

### *ii. Deferred tax*

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets unrecognized or recognized are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to the items recognized in other comprehensive income or direct equity. In this case, the tax is also recognized in other comprehensive income or direct equity, respectively.

**Minimum Alternate Tax (MAT)**:

Minimum Alternate Tax (MAT) credit is recognized as deferred asset only when it is probable that taxable profit will be available against which the credit can be utilized. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss account. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Company will pay normal income tax during the specified period.

**8. Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the statement of profit and loss in the period in which they are incurred.

9. **Provision, contingent liabilities and contingent assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

***Onerous Contracts***

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

***Contingencies***

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

**10. Employee benefits**

***i. Short-term employee benefits***

All employee benefits payable wholly within twelve months of rendering the service are classified as Short Term Employee benefits. Benefits such as salaries are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

***ii. Post- employee benefits***

***Defined Contribution Plans:***

A defined contribution plan is post-employee benefit plan under which an entity pays a fixed contribution to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expenses in the statement of profit and loss in the periods during which the related services are rendered by employees.

***Defined Benefit Plans:***

***Gratuity***

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset, the same is recognized to the extent of the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

***iii. Other long-term employee benefits***

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated

at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

**11. Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, demand deposits held with financial institution, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to know cash and which are subject to an insignificant risk of changes in value.

**12. Earnings per share**

Basic earnings per share ('BEPS') is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding for the period.

Diluted earnings per share ('DEPS') is computed by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits

**13. Cash flow statements**

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

**14. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

The management examines the group's performance as a whole i.e. providing of technological solution services and accordingly the group has only one reportable segment.

The group's operation and assets are concentrated in India only and hence there are no reportable geographical segments.

**15. Recent accounting pronouncements issued but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

**Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealized Losses**

The amendments clarify that an entity needs to consider whether the tax laws restrict the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference.

Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery for some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognized in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose the fact.

These amendments are effective for annual periods beginning on or after April 1, 2018. These amendments are not expected to have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

**Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration**

The Appendix clarifies that, 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 an entity initially recognizes the nonmonetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognized on or after:

a. The beginning of the reporting period in which the entity first applies the Appendix, or
b. The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the interpretation, the Company does not expect any effect on its financial statements.

**Ind AS 115 Revenue from Contracts with Customers:**

Ind AS 115, Revenue from Contracts with Customers was initially notified under the Companies (Indian Accounting Standards) Rules, 2015.

The standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions - and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application - and make no adjustments to its comparative information. The chosen transition option can have a significant effect on revenue trends in the Consolidated Financial Statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs.

The standard is applicable from the financial year commencing on or after 1 April 2018. The Company is currently evaluating the requirements of Ind AS 115, and has not yet determined the impact on the consolidated financial statements.

**Ind AS 116 Leases:**

On 18 July 2017, the Accounting Standard Board (ASB) of the Institute of Chartered Accountants of India (ICAI) issued an exposure draft (ED) on Ind AS 116 'Leases'. Ind AS 116 is expected to replace Ind AS 17 from its proposed effective date, being annual period beginning on or after 1 April 2019.

The ED sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective of the ED is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of Consolidated Financial Statements to assess the effect that leases will have on the financial position, financial performance and cash flows of the entity.

The Company is currently evaluating the requirements of Ind AS 116, and has not yet determined the impact on the consolidated financial statements.

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**

**Annexure V (2) : Notes forming part of the Restated Consolidated Financial Information**

**NOTE 1**

**Restated Consolidated Summary Statement of Property, Plant and Equipment**

***Rupees in '000***

| ASSET | GROSS CARRYING VALUE | | | | ACCUMULATED DEPRECIATION | | | | NET CARRYING VALUE | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1-Apr-17 | Additions | Deductions/adjustments during the year | As at 31-Mar-18 | As at 1-Apr-17 | Depreciation for the year | Deductions/adjustments during the year | As at 31-Mar-18 | As at 31-Mar-18 | *As at 31-Mar-17* |
| Office Equipment | 475.13 | 33.81 | - | 508.94 | 163.82 | 140.81 | - | 304.63 | 204.31 | *311.31* |
| Computers | 1,616.17 | 2,903.02 | - | 4,519.19 | 1,045.07 | 588.88 | - | 1,633.95 | 2,885.24 | *571.10* |
| TOTAL | 2,091.30 | 2,936.83 | - | 5,028.13 | 1,208.89 | 729.69 | - | 1,938.58 | 3,089.55 | 882.41 |
| | | | | | | *730* | | | | |
| | | | | | | - | | | | |

***Rupees in '000***

| ASSET | GROSS CARRYING VALUE | | | | ACCUMULATED DEPRECIATION | | | | NET CARRYING VALUE | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1-Apr-16 | Additions | Deductions/adjustments during the year | As at 31-Mar-17 | As at 1-Apr-16 | Depreciation for the year | Deductions/adjustments during the year | As at 31-Mar-17 | As at 31-Mar-17 | *As at 31-Mar-16* |
| Office Equipment | 47.02 | 428.10 | - | 475.13 | 5.76 | 158.06 | | 163.82 | 311.31 | *41.26* |
| Computers | 1,343.70 | 272.47 | - | 1,616.17 | 293.86 | 751.22 | | 1,045.07 | 571.10 | *1,049.84* |
| TOTAL | 1,390.72 | 700.58 | - | 2,091.30 | 299.62 | 909.28 | - | 1,208.89 | 882.41 | 1,091.10 |

**Notes:**

1) The estimated useful lives of items property, plant and equipment for the current and comparative periods are as follows;

| **Assets** | **Useful Life** |
|---|---|
| Office Equipment | 5-7 years |
| Computers | 3-4 years |

2) The company has assessed that there are no indicators of impairment.

**NOTE 2**

**Restated consolidated Summary Statement of Investments**

**Rupees in '000**

| | Face Value | Numbers | | Amounts | |
|---|---|---|---|---|---|
| | | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2017 |
| ***Unquoted:*** | | | | | |
| ***Carried at cost*** | | | | | |
| **(a) Investments in Joint Ventures using Equity Method** | | | | | |
| **Fortigo Network Xelpmoc Private Limited** | | | | | |
| 49,000 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Re. 1 each, fully paid up | 1.00 | 49,000.00 | - | 446.00 | - |
| **(b) Investments in Associate Company using Equity Method** | | | | | |
| **IFTOSI Jewels Private Limited** | | | | | |
| Nil (as at 31 March 17: 25,000, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | 10.00 | - | 2,500.00 | - | - |
| **Madworks Ventures Private Limited** | | | | | |
| 15,204 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up (Including Goodwill of Rs. 680 thousand) | 10.00 | 72,222.00 | | 1,065.00 | - |
| | | | | **1,511.00** | - |

| | | |
|---|---|---|
| Aggregate Amount of Unquoted Investments | 1,511.00 | - |
| Aggregate Amount of Quoted Investments | - | - |
| Aggregate Market Value of Quoted Investments | - | - |
| Aggregate Provision for Impairment in the Value of Investments | - | - |

**Notes:**

**1)** The company acquired 49,000 ordinary shares of Re. 1 each of Fortigo Network Xelpmoc Private limited on 17 March 2017. The shares were acquired at par value. Post this acquisition the company holds 49% of the equity share capital of the investee company.

**2)** The company acquired 15,204 ordinary shares of Re. 10 each and 57,018 convertible preference shares of Rs. 10 each of Madworks Ventures Private limited on 14 February 2018. The shares were acquired at par value. The preference shares have the same voting rights on as if converted basis as per the shareholder agreement and hence the same are treated at par with equity by the company. Post this acquisition the company holds 21.74 % of the share capital of the investee company on a fully diluted basis.

**3)** The company disposed of 800 ordinary shares of IFTOSI Jewels Private Limited on 31 March 2018. The shares were disposed at cost price resulting in no profit or gain to the company. Subsequent to this disposal, the holding of the company in the investee is reduced to 17% as against 25% as on 31 March 2017.

**NOTE 3**

**Restated Consolidated Summary Statement of Other Investments**

**Rupees in '000**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| ***Unquoted:*** | | |
| ***At Fair Value through Other Comprehensive Income*** | | |
| **Investment in Equity Instruments** | | |
| **Fortigo Network Logistic Private Limited**** | | |
| 122,232(as at 31 March 17: 11,112, as at 31 March 16: 11,112) Equity Shares of Re. 1 each, fully paid up | 153,122.47 | 156,727.31 |
| **Gyankosh Solutions Private Limited** | 2,923.34 | 2,707.59 |
| 32,939 (as at 31 March 17: 32,939, as at 31 March 16: 32,939) Equity Shares of Re. 1 each, fully paid up | | |
| **IFTOSI Jewels Private Limited** | 15.20 | - |
| 1,700 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **Ideal Insurance Brokers Private Limited** | 6,284.90 | - |
| 5,000 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **Inqube Innoventures Private Limited** | 6,627.29 | - |
| 655 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **Intellibuzz TEM Private Limited** | 2,499.98 | - |
| 12,300 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **PHI Robotics Research Private Limited** | 2,488.59 | - |
| 167 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **Investment in Preference Shares** | | |
| **Mihup Communication Private Limited** | 14,639.84 | 14,666.32 |
| 31,512 (as at 31 March 17: 31,512, as at 31 March 16: Nil) Series Seed Preference Shares of Re. 1 each, fully paid up | | |
| 2,941 (as at 31 March 17: Nil, as at 31 March 16: Nil) Series A1 Compulsorily Convertible Preference Shares of Re. 10 each, fully paid up | 1,366.33 | |
| | **189,967.93** | **174,101.22** |

| | | |
|---|---|---|
| Aggregate Amount of Unquoted Investments | 189,967.93 | 174,101.22 |
| Aggregate Amount of Quoted Investments | - | - |
| Aggregate Market Value of Quoted Investments | - | - |
| Aggregate Provision for Impairment in the Value of Investments | 1.80 | - |

**Notes:**

1) Investments in equity instruments of private limited entities has been designated as fair value through other comprehensive income. The valuation of these shares as on the valuation date has been arrived at using the discounted cash flow method.

***** Includes 111,120 bonus shares alloted during the year without any consideration***

**NOTE 3**

**Restated Consolidated Summary Statement of Other Investments**

**Rupees in '000**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| ***Unquoted:*** | | |
| ***At Fair Value through Other Comprehensive Income*** | | |
| **Investment in Equity Instruments** | | |
| **Fortigo Network Logistic Private Limited**** | | |
| 122,232(as at 31 March 17: 11,112, as at 31 March 16: 11,112) Equity Shares of Re. 1 each, fully paid up | 153,122.47 | 156,727.31 |
| **Gyankosh Solutions Private Limited** | 2,923.34 | 2,707.59 |
| 32,939 (as at 31 March 17: 32,939, as at 31 March 16: 32,939) Equity Shares of Re. 1 each, fully paid up | | |
| **IFTOSI Jewels Private Limited** | 15.20 | - |
| 1,700 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **Ideal Insurance Brokers Private Limited** | 6,284.90 | - |
| 5,000 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **Inqube Innoventures Private Limited** | 6,627.29 | - |
| 655 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **Intellibuzz TEM Private Limited** | 2,499.98 | - |
| 12,300 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **PHI Robotics Research Private Limited** | 2,488.59 | - |
| 167 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | |
| **Investment in Preference Shares** | | |
| **Mihup Communication Private Limited** | 14,639.84 | 14,666.32 |
| 31,512 (as at 31 March 17: 31,512, as at 31 March 16: Nil) Series Seed Preference Shares of Re. 1 each, fully paid up | | |
| 2,941 (as at 31 March 17: Nil, as at 31 March 16: Nil) Series A1 Compulsorily Convertible Preference Shares of Re. 10 each, fully paid up | 1,366.33 | |
| | **189,967.93** | **174,101.22** |

| | | |
|---|---|---|
| Aggregate Amount of Unquoted Investments | 189,967.93 | 174,101.22 |
| Aggregate Amount of Quoted Investments | - | - |
| Aggregate Market Value of Quoted Investments | - | - |
| Aggregate Provision for Impairment in the Value of Investments | 1.80 | - |

**Notes:**

1) Investments in equity instruments of private limited entities has been designated as fair value through other comprehensive income. The valuation of these shares as on the valuation date has been arrived at using the discounted cash flow method.

***** *Includes 111,120 bonus shares alloted during the year without any consideration***

**NOTE 4**
**Restated Consolidated Summary Statement of Non-Current Financial Assets- Loan**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| *Unsecured, considered good | 4,692.12 | 4,000.00 |
| **TOTAL** | **4,692.12** | **4,000.00** |

*Represents loan given to suppliers for the purpose of meeting the working capital requirement at simple interest of 9% payable annually.

**NOTE 5**
**Restated Consolidated Summary Statement of Non-Current Financial Assets**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| * Application money paid towards securities | 1,066.67 | - |
| **TOTAL** | **1,066.67** | **-** |

**Application money paid towards securities:**
On September 11, 2017, the company entered into a agreement to acquire equity and preference shares of SNAPHUNT PTE LTD, Singapore and paid an amount of Rs 10,666,70 . Subsequently , the company was alloted 14,506 optionally convertible preference shares and 6,447 ordinary shares on 24 April 2018. Post this allotment the company holds 26% of the share capital of the investee company on a fully diluted basis.

**NOTE 6**

**Restated Consolidated Summary Statement of Non-Current Tax Assets (Net)**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| Advance Tax [Net of Provision for taxation - ` Nil] | 5,528.69 | 347.81 |
| **TOTAL** | **5,528.69** | **347.81** |

(Refer Note 14 for tax reconciliations)

**NOTE 7**
**Restated Consolidated Summary Statement of Trade Receivables**

***Rupees in '000***

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| *Unsecured* | | |
| Considered Good * | 15,917.40 | 4,688.63 |
| Considered Doubtful | 3,783.05 | - |
| Less: Allowance for credit losses | (3,783.05) | |
| | 15,917.40 | 4,688.63 |
| **TOTAL** | **15,917.40** | **4,688.63** |
| * Includes dues from related parties (Refer Related Party Transaction Note. 26) | - | - |

**NOTE 8**

**Restated Consolidated Summary Statement of Cash and Cash Equivalents**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| Balances with Banks | | |
| - In Current Accounts | 21,699.50 | 2,063.06 |
| Cash on Hand | 13.45 | 7.83 |
| **TOTAL** | **21,712.95** | **2,070.89** |
| **Cash and cash equivalent as per Statement of Cash Flows** | **21,712.95** | **2,070.89** |

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods

**NOTE 9**

**Restated Consolidated Summary Statement of Other Current Financial Assets**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| Security Deposits | 1,380.00 | 26.00 |
| **Unsecured, considered good** | | |
| Interest Accrued | 698.22 | 315.12 |
| Advance to staff | 216.67 | - |
| *Other Advances | - | |
| **TOTAL** | **2,294.89** | **341.12** |

**NOTE 10**

**Restated Consolidated Summary Statement of Other Current Assets**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| Prepaid expenses | - | 191.34 |
| Balances with Government authorities | - | 438.52 |
| **Unsecured, considered good** | | |
| Advance to vendors | 261.42 | 146.00 |
| **TOTAL** | **261.42** | **775.86** |

**NOTE 11**

**Restated Consolidated Summary Statement of Equity Share Capital**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Authorised** | | |
| 11,000,000 Equity Shares *(31-Mar-17: 5,000,000 ; 01-Apr-16: 5,000,000)* of ` 10 each | 1,100,000.00 | 50,000.00 |
| **Issued** | | |
| 6,517,132 Equity Shares *(31-Mar-17: 4,874,998 ; 01-Apr-16: 1,874,999)* of ` 10 each | 65,171.32 | 48,749.98 |
| **Subscribed and Fully Paid up** | | |
| 6,517,132 Equity Shares *(31-Mar-17: 4,874,998 ; 01-Apr-16: 1,874,999)* of ` 10 each | 65,171.32 | 48,749.98 |
| **TOTAL** | **65,171.32** | **48,749.98** |

NOTES:

a) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

| | As at March 31, 2018 | | As at March 31, 2017 | |
|---|---|---|---|---|
| | No. of Shares | Rupees in '000 | No. of Shares | Rupees in '000 |
| Shares outstanding at the beginning of the year | 4,874,998.00 | 48,749.98 | 1,874,999.00 | 18,749.99 |
| Add: Shares issued during the year pursuant to rights issue and preferential allotment | 1,642,134.00 | 16,421.34 | 2,999,999.00 | 29,999.99 |
| **Shares outstanding at the end of the year** | **6,517,132.00** | **65,171.32** | **4,874,998.00** | **48,749.98** |

b) **Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rupees 10/- per share. Each shareholder is entitled to vote in proportion to his share of the paid up equity capital of the Company except upon voting by "Show of hands" where one share shareholder is entitled to one vote. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to their shareholdings. The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the last three financial years.

c) Details of shareholders holding more than 5% shares in the Company:

| Name of the Shareholder | As at March 31, 2018 | | As at March 31, 2017 | |
|---|---|---|---|---|
| | No. of Shares | % held | No. of Shares | % held |
| Rajesh Dembla | - | - | 200,000.00 | 4.10% |
| Sandipan Samiran Chattopadhyay | 2,924,088.00 | 44.87% | 3,090,207.00 | 63.39% |
| Srinivas Koora | 1,636,515.00 | 25.11% | 1,584,791.00 | 32.51% |
| Jaison Jose | 542,768.00 | 8.33% | - | - |
| | **5,103,371.00** | | **4,874,998.00** | |

d) **Capital Management**

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value. The Company makes adjustments to its capital structure based on economic conditions or its business requirements. To maintain / adjust the capital structure the Company may make adjustments to dividend paid to its shareholders or issue new shares.

The Company monitors capital using the metric of Net Debt to Equity. Net Debt is defined as borrowings less cash and cash equivalents, fixed deposits and readily redeemable investments. The company has no borrowings as on the reporting date.

**NOTE 12**

**Restated Consolidated Summary Statement of Other Equity**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| Securities Premium Reserve | 78,209.22 | - |
| Retained Earnings | (80,322.09) | (45,289.76) |
| Other Comprehensive Income (Remeasurements of defined benefit plans & Net (loss)/gain on FVTOCI equity securities) | 127,901.58 | 128,670.74 |
| | **125,788.71** | **83,380.98** |

**OTHER RESERVES MOVEMENT**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Other Comprehensive Income (net of deferred tax)** | | |
| Net (loss)/gain on FVTOCI equity securities | (268.14) | 101,661.16 |
| Remeasurements of the net defined benefit Plans | (501.02) | (108.25) |
| **TOTAL** | **(769.15)** | **101,552.92** |

**NOTE 13**

**Restated Consolidated Summary Statement of Non-Current Provisions**

**Rupees in '000**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Provision for Employee Benefits** | | |
| Gratuity (Net) | 1,388.75 | 318.96 |
| Leave Encashment (Net) | 225.54 | - |
| **TOTAL** | **1,614.29** | **318.96** |

**NOTE 14**

**Restated Consolidated Summary Statement of Deferred Tax Liabilities (Net)**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Deferred Tax Liability** | | |
| a) Property, Plant & Equipment and Intangibles | (58.92) | (25.92) |
| b) Impairement of FinAssets (Invst) | (45,151.67) | (45,245.67) |
| c) Others | - | (81.93) |
| | (45,211.59) | (45,354.53) |
| **Deferred Tax Assets** | | |
| a) Property, Plant and Equipment | - | - |
| b) Defined benefit obligations & Other long term employee benefits | 434.78 | 83.01 |
| c) Others | | - |
| | 434.78 | 83.01 |
| **TOTAL** | **(44,776.81)** | **(45,271.52)** |

**Note 14A**

**The income tax expense consists of the following:** *Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| **Current Tax:** | | |
| Current tax on profits for the year | - | - |
| Adjustments for current tax of prior periods | - | - |
| Total current tax expense | - | - |
| *Deferred Tax* | | |
| Decrease/ (increase) in deferred tax assets | (224.20) | - |
| (Decrease)/ increase in deferred tax liabilities | | 54.74 |
| Deferred tax (net) | (224.20) | 54.74 |
| Total income tax expense | **(224.20)** | **54.74** |

**Current tax and Deferred Tax related to items recognised in Other Comprehensive Income du** *Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| Net loss/(gain) on FVTOCI equity securities | (94.21) | 35,718.79 |
| Net loss/(gain) on remeasurements of defined benefit plans | (176.03) | (38.03) |
| **Total** | **(270.24)** | **35,680.76** |

**Reconciliation of tax expense and the accounting profit**

The reconciliation between estimated income tax expense at statutory income tax rate into income tax expense reported in statement of profit & Loss is given below:

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| Profit before income taxes | (35,256.54) | (28,504.58) |
| Indian statutory income tax rate | 26.00% | 25.75% |
| Expected income tax expense | (9,166.70) | (7,339.93) |
| **Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:** | | |
| Tax impact of income not subject to tax | | |
| Tax effects of amounts which are not deductible for taxable income | | |
| a) Temporary Differences | 224.20 | (54.74) |
| b) Permanent Differences | 9.00 | 166.00 |
| Impact due to change in the rate of corporate taxation | | (70.00) |
| Others | | - |
| Deferred tax on carried forward losses** | 8,933.50 | 7,298.67 |
| **Total income tax expense** | **9,166.70** | **7,339.93** |

**** No deferred tax assets has been created on unused tax losses in the absence probability of future taxabale profits that will be available against which the unused tax losses can be utilised.**

**Note 14A (Contd.)**

**Deferred Tax (Liabilities):** *Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| Property, Plant and Equipment | (33.00) | - |
| Impairement of FinAssets (Invst) | - | (35,718.79) |
| Others | - | (81.93) |
| **Total deferred tax liabilities** | **(33.00)** | **(35,800.72)** |

**Deferred Tax Assets:** *Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| Property, Plant and Equipment | - | 2.24 |
| Impairement of FinAssets (Invst) | 94.00 | - |
| Defined benefit obligations & Other long term employee benefits | 351.74 | 62.98 |
| Others | 81.93 | - |
| **Total deferred tax assets** | **527.67** | **65.22** |
| | | |
| **Net Deferred tax (Liabilities) / Assets** | **494.47** | **(35,735.50)** |

**Movement in Deferred tax Liabilities / Asset** *Rupees in '000*

| | Property, plant and equipment | Intangible assets | Impairement of FinAssets (Invst) | Defined benefit obligations & Other long term employee benefits | Provisions | Other Deferred Tax Asset | Deferred Tax Liabilities / Asset (net) |
|---|---|---|---|---|---|---|---|
| **As at 31st March 2016** | **(27.92)** | **-** | **(9,527.88)** | **19.97** | **-** | **-** | **(9,535.83)** |
| (Charged)/Credited : | | | | | | | |
| - to profit or loss | 2.24 | | (35,718.79) | 25.00 | | (81.93) | (35,773.48) |
| - to other comprehensive income | | | | 38.03 | | | 38.03 |
| **As at 31st March 2017** | **(25.68)** | **-** | **(45,246.67)** | **83.01** | **-** | **(81.93)** | **(45,271.52)** |
| (Charged)/Credited : | | | | | | | |
| - to profit or loss | (33.00) | | | 175.74 | | 81.93 | 224.67 |
| - to other comprehensive income | | | 94.00 | 176.03 | | | 270.03 |
| **As at 31st March 2018** | **(58.68)** | **-** | **(45,152.67)** | **434.78** | **-** | **(0.00)** | **(44,776.82)** |

**As per Groupings**

The company 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.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL INFORMATION**

**NOTE 15**

**Restated Consolidated Summary Statement of Trade Payables**

**Rupees in '000**

| | **As at March 31, 2018** | **As at March 31, 2017** |
|---|---|---|
| Dues to Micro, Small and Medium Enterprises | - | - |
| Dues to creditors other than micro, Small and Medium Enterprises | 752.2031 | 752.271 |
| **TOTAL** | **752.2031** | **752.271** |

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

| **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006** | **As at March 31, 2018** | **As at March 31, 2017** |
|---|---|---|
| (i) Principal amount and interest dur thereon remaining unpaid to MSME suppliers as at the end of the accounting year: | | |
| -Principal | Nil | Nil |
| -Interest | Nil | Nil |
| (ii) The amount of interest paid along with the amounts of the payment made to the MSME supplier beyond the appointed day | Nil | Nil |
| | | |
| (iii) The amount of interest due and payable for the year | Nil | Nil |
| (iv) The amount of interest accrued and remaining unpaid at the end of the accounting year | Nil | Nil |
| (v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | Nil | Nil |

**NOTE 16**

**Restated Consolidated Summary Statement of Other Financial Liabilities (Current)**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| Creditors for expenses | 205.16 | 467.03 |
| Payable to employees | 3,756.87 | 2,095.63 |
| Other financial liabilities * | 1,313.44 | 5,872.26 |
| **TOTAL** | **5,275.47** | **8,434.92** |
| * Includes dues to related parties (Refer Related Party Transaction Note. 26) | 1,313.44 | 5,872.26 |

**NOTE 17**

**Restated Consolidated Summary Statement of Other Current Liabilities**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| Statutory Dues | 2,606.23 | 299.19 |
| **TOTAL** | **2,606.23** | **299.19** |

**NOTE 18**

**Restated Consolidated Summary Statement of Current Provisions**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Provision for Employee Benefits** | | |
| Gratuity (Net) | 2.00 | - |
| Leave Encashment (Net) | 55.62 | - |
| **TOTAL** | **57.62** | **-** |

**NOTE 19**

**Restated Consolidated Summary Statement of Revenue from Operations**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| Sale of Services | 48,700.34 | 18,838.96 |
| **TOTAL** | **48,700.34** | **18,838.96** |
| * Includes earnings in foreign currency | 1,390.40 | 10,000.00 |

**NOTE 20**

**Restated Consolidated Summary Statement of Other Income**

*Rupees in '000*

| | Nature (Recurring/Non-Recurring) | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|---|
| **Other Non-Operating Income** | | | |
| Fair Value Gain on equity instruments measured at fair value through profit or loss | Recurring | - | - |
| Net Gain on Foreign Currency Transactions and Translations | Recurring | 226.94 | - |
| Interest Income | Recurring | 383.10 | 396.51 |
| **TOTAL** | | **610.04** | **396.51** |

**NOTE 21**

**Restated Consolidated Summary Statement of Employee Benefits Expense**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| Salaries and Wages* | 35,011.80 | 30,864.10 |
| Contribution to Provident and Other Funds* | 699.09 | 61.97 |
| Staff Welfare Expenses* | 802.00 | 746.96 |
| **TOTAL** | **36,512.90** | **31,673.03** |
| * Includes payment to related party (Refer Related Party Transaction Note. 26) | 1,500.00 | - |

**NOTE 22**

**Restated Consolidated Summary Statement of Finance Costs**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| A) Interest Expense | | |
| Interest on TDS | 34.94 | 54.31 |
| **TOTAL** | **34.94** | **54.31** |

**NOTE 23**

**Restated Consolidated Summary Statement of Depreciation**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| Depreciation on property, plant and equipment | 729.69 | 909.28 |
| **TOTAL** | **729.69** | **909.28** |

**NOTE 24**

**Restated Consolidated Summary Statement of Other Expenses**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---|---|
| Power and Fuel | 419.79 | 313.08 |
| Rent | 3,701.63 | 1,700.24 |
| Rates and Taxes | 690.37 | 684.66 |
| Repairs and Maintenance | | |
| - Builidings | 476.77 | 192.05 |
| - Others | 815.32 | 772.63 |
| Sales Promotion & Marketing Expense | 96.00 | 50.00 |
| Travelling & Conveyance | 5,381.53 | 1,956.90 |
| Communication Charges | 3,954.62 | 3,751.77 |
| Auditors' Remuneration | | |
| - As Auditor | 160.00 | 50.00 |
| - For Taxation Matters | 30.00 | 30.00 |
| - For Out of Pocket Expenses | - | 15.00 |
| | 190.00 | 95.00 |
| Legal & Professional Charges | 240.00 | 51.65 |
| Net Loss on Foreign Currency Transactions and Translations | - | 114.30 |
| Courier Expenses | 42.73 | 25.57 |
| Office Expenses | 615.19 | 542.09 |
| Generator rent | 112.60 | 196.64 |
| Recruitment expense | 2.40 | 811.92 |
| Subscription fee | 300.00 | 200.00 |
| Project Expenses | - | 25.46 |
| Provision for Credit Losses | 3,783.05 | - |
| Consultancy Fees | 26,051.10 | 3,154.75 |
| Miscellaneous expenses | 747.31 | 439.73 |
| **TOTAL** | **47,620.40** | **15,078.44** |

**NOTE 25**

**Restated Consolidated Summary Statement of Earnings per share**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Net Profit After Tax** | **(35,032,336.32)** | **(28,559,316.90)** |
| Number of Shares outstanding at the beginning of the year | 4,874,998.00 | 1,874,999.00 |
| Add : Shares Issued during the year | 1,642,134.00 | 2,999,999.00 |
| Less : Shares bought back during the year | - | - |
| Number of Shares outstanding at the end of the year | 6,517,132.00 | 4,874,998.00 |
| **Weighted Average Number of Equity Shares** | | |
| For calculating restated Basic EPS and restated diluted EPS (impact of bonus issue) | 9,417,031.87 | 5,512,162.35 |
| **Earnings Per Share Before and After Extraordinary Items** | | |
| ***(Face Value ` 10)*** | | |
| Restated Basic (`) | (3.72) | (5.18) |
| Restated Diluted (`) | (3.72) | (5.18) |

**NOTE 26 : RELATED PARTY DISCLOSURES**

**A) Related Parties and their Relationship**

**a) Joint ventures**

| Name of the Joint Venture | Country | % Holding as at March 31, 2018 | % Holding as at March 31, 2017 |
|---|---|---|---|
| Fortigo Networks Xelpmoc Private Limited (w.e.f. 7 April 2017) | India | 49% | Nil |

**b). Associates**

| Name of the Associates | Country | % Holding as at March 31, 2018 | % Holding as at March 31, 2017 |
|---|---|---|---|
| Madworks Ventures Private Limited (w.e.f from 14 February 2018) | India | 21.74% | Nil |
| IFTOSI Jewels Private Limited (up to 31 March 2017) | India | Nil | 25% |

**c) Companies under common Control with whom transactions have taken place**

i) Jzeva Signature Jewelcrafts Private Limited

**d) Key Management Personnel (KMP) and Relatives**

| | | | |
|---|---|---|---|
| i) | Sandipan Samiran Chattopadhyay | Director | |
| ii) | Srinivas Koora | Director | |
| iii) | Jaison Jose | Director | w.e.f. 9 March 2017 |
| iv) | Vishal Chaddha | Director | w.e.f. 13 September 2017 |
| v) | Abhay Kadam | Company Secretary | w.e.f. 1 December 2017 |
| vi) | Rajesh Dembla | Director | up to 26th July 2017 |
| vii) | Mihika Rajesh Dembla | Relative of Director | up to 26th July 2017 |
| viii) | Mamta Rajesh Dembla | Relative of Director | up to 26th July 2017 |
| ix) | Raunak Rajesh Dembla | Relative of Director | up to 26th July 2017 |

**NOTE 26 : RELATED PARTY DISCLOSURES (Contd.)**

**B) The Related Party Transactions are as under :**

*Rupees in '000*

| Particulars of Transactions | Associate Company/Joint Venture | | Companies Under Common Control | | Key Management Personnel and Relatives | | Total | |
|---|---|---|---|---|---|---|---|---|
| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2017 |
| **Sale of Services*** | | - | - | - | - | - | | - |
| Fortigo Network Xelpmoc Private Limited | 6,750.00 | | | | | | **6,750.00** | |
| Madworks Venture Private Limited | 385.00 | | | | | | **385.00** | |
| | | | | | | | | |
| **Remuneration paid to directors and KMP (including employer's contribution to PF)** | | - | - | - | | - | | - |
| Srinivas Koora | | | | | 380.40 | | **380.40** | |
| Sandipan Samiran Chattopadhyay | | | | | 380.40 | | **380.40** | |
| Jaison Jose | | | | | 380.40 | | **380.40** | |
| Vishal Chaddha | | | | | 375.00 | | **375.00** | |
| Abhay Kadam | | | | | 80.00 | | **80.00** | |
| | | | | | | | | |
| **Loan taken from Directors** | - | - | - | - | | | | |
| Sandipan Samiran Chattopadhyay | | | | | 7,500.00 | | **7,500.00** | |
| Rajesh Dembla | | | | | 3.62 | 5,196.38 | **3.62** | **5,196.38** |
| Jaison Jose | | | | | 2,000.00 | | **2,000.00** | |
| Srinivas Koora | | | | | 1,000.00 | | **1,000.00** | |
| | | | | | | | | |
| **Loan repaid to Directors** | - | - | - | - | | | | |
| Sandipan Samiran Chattopadhyay | | | | | 7,500.00 | | **7,500.00** | **-** |
| Rajesh Dembla | | | | | 5,200.00 | | **5,200.00** | **-** |
| Jaison Jose | | | | | 2,000.00 | | **2,000.00** | **-** |
| Srinivas Koora | | | | | 1,000.00 | 1,525.00 | **1,000.00** | **1,525.00** |
| | | | | | | | | |
| **Receipt towards share application money** | - | | | | | | | |
| Sandipan Samiran Chattopadhyay | | | | | 1,034.48 | 18,535.11 | **1,034.48** | **18,535.11** |
| Srinivas Koora | | | | | 517.24 | 11,464.58 | **517.24** | **11,464.58** |
| Jaison Jose | | | | | 3,827.58 | | **3,827.58** | |
| | | | | | | | | |
| **Receipt towards security premium** | - | | | | | | | |
| Sandipan Samiran Chattopadhyay | | | | | 1,965.51 | | **1,965.51** | |
| Srinivas Koora | | | | | 982.76 | | **982.76** | |
| Jaison Jose | | | | | 7,272.40 | | **7,272.40** | |
| | | | | | | | | |
| **Receipt of services** | | | | | | | | |
| Mihika Rajesh Dembla | | | | | 1,872.00 | | **1,872.00** | |
| Mamta Rajesh Dembla | | | | | 1,872.00 | | **1,872.00** | |
| Raunak Rajesh Dembla | | | | | 1,872.00 | | **1,872.00** | |
| | | | | | | | | |
| **Expenses incurred by us on behalf of others** | | | | | | | | |
| Jzeva Signature Jewelcrafts Private Limited | | | 24.29 | 89.86 | | | **24.29** | **89.86** |
| | | | | | | | | |
| **Expenses incurred by directors** | | | | | | | | |
| Sandipan Samiran Chattopadhyay | | | | | 4,515.33 | 2,576.64 | **4,515.33** | **2,576.64** |
| Srinivas Koora | | | | | 8,015.13 | 1,825.27 | **8,015.13** | **1,825.27** |
| Rajesh dembla | | | | | | | **-** | **-** |
| Jaison Jose | | | | | 9.55 | | **9.55** | **-** |
| | | | | | | | | |
| **Reimbursement of expenses to directors** | | | | | 12,386.70 | 3,834.10 | | |
| Sandipan Samiran Chattopadhyay | | | | | 4,363.33 | 2,319.00 | **4,363.33** | **2,319.00** |
| Srinivas Koora | | | | | 8,023.37 | 1,515.10 | **8,023.37** | **1,515.10** |

***Note: Sale of services to associate and JV are reported only to the extent of unrelated investors' share after eliminating the sales within the group.**

Amount eliminated from sale of services is as follows:

| Name of the Group Company | Relationship | Amount Eliminated |
|---|---|---|
| Fortigo Network Xelpmoc Private Limited | Joint Venture | 4,814.00 |
| Madworks Ventures Private Limited | Associate | 87.00 |

**NOTE 26 : RELATED PARTY DISCLOSURES (Contd.)**

**B) The Related Party Transactions are as under :**

*Rupees in '000*

| | Associate Company/Joint Ventures | | Companies with Common Directors | | Key Management Personnel and Relatives | | Total | |
|---|---|---|---|---|---|---|---|---|
| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2017 |
| | | | | | | | | |
| **Outstanding Balances** | | | | | | | | |
| **Receivables *** | | | | | | | | |
| Fortigo Network Xelpmoc Private Limited | - | | | | | | **-** | **-** |
| Madworks Venture Private Limited | 345.00 | | | | | | **345.00** | **-** |
| Jzeva Signature Jewelcrafts Private Ltd | | | 24.29 | 89.86 | | | **24.29** | **89.86** |
| **Payables** | - | - | - | - | | | | |
| Rajesh Dembla | | | | | | 5,196.38 | **-** | **5,196.38** |
| Srinivas Koora | | | | | 533.38 | 418.17 | **533.38** | **418.17** |
| Sandipan Samiran Chattopadhyay | | | | | 533.16 | 257.71 | **533.16** | **257.71** |
| Jaison Jose | | | | | 123.45 | | **123.45** | **-** |
| Vishal Chaddha | | | | | 123.45 | | **123.45** | **-** |

* Note:

1. Trade receivables represents amount after eliminating receivables from the associate and joint venture company to the extent of share of the company.
2. Trade receivables elimintated for JV company is restricted to balance receivable as at 31 March 2018 for the purpose of related party reporting
3. Amount eliminated from Receivables is as follows:

| Name of the Group Company | Relationship | Amount Eliminated |
|---|---|---|
| Fortigo Network Xelpmoc Private Limited | Joint Venture | 2,398.00 |
| Madworks Ventures Private Limited | Associate | 87.00 |

**NOTE 27 : LEASES**

The Company's significant leasing agreements are in respect of operating lease for office premises and the aggregate lease rentals payable are charged as rent. The Total lease payments accounted for the year ended March 31, 2018 is 3,183 *(previous year 2017: 1,260, previous year 2016:` 575 )* .

The future minimum lease payments outstanding under non-cancellable operating leases are as follows:

***Rupees in '000***

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| Not later than one year | 4,480.14 | - |
| Later than one year and not later than five years | 4,598.02 | - |
| Later than five years | - | - |
| **TOTAL** | **9,078.17** | **-** |

**NOTE 28 : HEDGING CONTRACTS**

The uncovered foreign exchange exposure:

***Rupees in '000***

| | Currency | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|---|
| Receivables | UK Pounds | 39.10 | 28.26 |
| | | | |

**NOTE 29 : EMPLOYEE BENEFITS**

**a) DEFINED CONTRIBUTION PLAN**

**Provident Fund:**

The contributions to the Provident Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution on the company

**b) DEFINED BENEFIT PLAN**

**Gratuity:**

The liability in respect of future payment of gratuity to retiring employees on retirement is provided on the basis of actual number of year's entitlement pending to be paid as at the end of each year. The Company estimates and provides the liability towards gratuity on the basis of actuarial valuation made at the end of the year.

These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

**c) Amounts Recognised as Expense:**

**I) Defined Contribution Plan**

Employer's Contribution to Provident Fund, ESIC and LWF amounting to Rs. 699 thousand (*March 2017: Rs. 61 thousand, March 2016: Rs.Nil* )has been included under Contribution to Provident and Other Funds.

**II) Defined Benefit Plan**

Gratuity cost amounting to 1,072 thousand *(March 17: 242 thousand, March 16: 76 thousand )* has been included in Note 33 under Contribution to Provident and Other Funds.

**NOTE 29 : EMPLOYEE BENEFITS (Contd.)**

The amounts recognised in the Company's financial statements as at year end are as under:

*Rupees in '000*

| | | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|---|
| **i)** | **Change in Present Value of Obligation** | | |
| | Present value of the obligation at the beginning of the year | 319,073.00 | 76,826.00 |
| | Current Service Cost | 362,905.00 | 86,591.00 |
| | Interest Cost | 31,723.00 | 9,377.00 |
| | Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions | - | - |
| | Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions | (62,784.00) | 16,074.00 |
| | Actuarial (Gain) / Loss on Obligation- Due to Experience | 739,833.00 | 130,205.00 |
| | Benefits Paid | | |
| | Present value of the obligation at the end of the year | **1,390,750.00** | **319,073.00** |
| **ii)** | **Change in Plan Assets** | | |
| | Fair value of Plan Assets at the beginning of the year | - | - |
| | Interest Income | - | - |
| | Return on plan assets excluding interest income | - | - |
| | Benefits Paid | - | - |
| | Fair value of Plan Assets at the end of the year | - | - |
| **iii)** | **Amounts Recognised in the Balance Sheet:** | | |
| | Present value of Obligation at the end of the year | 1,390,750.00 | 319,073.00 |
| | Fair value of Plan Assets at the end of the year | - | - |
| | Funded status - Deficit | 1,390,750.00 | 319,073.00 |
| | Net Liability recognised in the Balance Sheet | **1,390,750.00** | **319,073.00** |
| **iv)** | **Amounts Recognised in the Statement of Profit and Loss:** | | |
| | Current Service Cost | 362,905.00 | 86,591.00 |
| | Interest Cost on Obligation | 31,723.00 | 9,377.00 |
| | Net Cost Included in Personnel Expenses | **394,628.00** | **95,968.00** |
| **v)** | **Recognised in other comprehensive income for the year** | | |
| | Actuarial (Gain) / Loss on Obligation | 677,049.00 | 146,279.00 |
| | Return on plan assets excluding interest income | | - |
| | Recognised in other comprehensive income | **677,049.00** | **146,279.00** |
| **vi)** | **Actuarial Assumptions** | | |
| | i) Discount Rate | 7.75% | 7.22% |
| | ii) Salary Escalation Rate | 12.00% p.a. | 12.00% p.a. |
| | iii) Mortality | Indian Assured Lives Mortality (2006-08) Ultimate | |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**vii) Maturity Analysis of Projected Benefit Obligation: From the Fund**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Projected Benefits Payable in Future Years From the Date of Reporting** | | |
| Within the next 12 months | 2,345.00 | 481.00 |
| 2nd Following Year | 24,437.00 | 474.00 |
| 3rd Following Year | 101,357.00 | 8,863.00 |
| 4th Following Year | 172,690.00 | 35,993.00 |
| 5th Following Year | 198,870.00 | 47,906.00 |
| Sum of Years 6 To 10 | 918,364.00 | 217,069.00 |

**viii) Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| | 31-Mar-18 | | 31-Mar-17 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (100 basis points) | (121,776.00) | 124,146.00 | (27,932.00) | 28,570.00 |
| Future salary growth (100 basis points) | 96,746.00 | 92,547.00 | 22,189.00 | (21,239.00) |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**ix) Other details**

| | |
|---|---|
| Methodology Adopted for ALM | Projected Unit Credit Method |
| Usefulness and Methodology adopted for Sensitivity analysis | Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis. |
| Stress Testing of Assets | Not Done |
| Investment Strategy | Not Applicable |
| Comment on Quality of Assets | Not Applicable |
| Management Perspective of Future Contributions | As per Actuarial calculation |

**NOTE 29 : EMPLOYEE BENEFITS (Contd.)**

**x) Risk exposure**

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:
**Interest Rate Risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
**Salary Inflation risk** : Higher than expected increases in salary will increase the defined benefit obligation.
**Demographic Risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

**III) Compensated absences**

The leave obligations cover the company's liability for earned leave.

The company recognises the obligations as per the actuarial valuation. A summary of employee benefit obligation for compensated leave is presented below:

| Particulars | As at March 31, 2018 |
|---|---|
| The Actuarial Liability in respect of the compensated absence of earned leave | 280,922.00 |
| Less: Plan assets | - |
| Net obligation | 280,922.00 |
| **Significant Assumptions** | |
| Discounting Rate | 7.75% |
| Salary escalation Rate | 12% |
| Retirement Age | 58 Years |

**Note:**

The company did not have any policy for carry forward of earned leave during the previous year 31 March 2017 and 31 March 2016 and hence figures for these periods are not reported

**NOTE 30 : FINANCIAL INSTRUMENTS**

**A. Accounting classification and fair values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

***Rupees in '000***

| As at March 31, 2018 | Carrying amount / Fair Value | | | | Fair value Hierarchy | | | |
|---|---|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets** | | | | | | | | |
| **Non Current** | | | | | | | | |
| *Investments* | | | | | | | | |
| Shares* | - | 191,478.93 | - | 191,478.93 | - | - | 191,478.93 | 191,478.93 |
| Loans | | | 4,692.00 | 4,692.00 | | | 4,692.00 | 4,692.00 |
| Others | | | 1,067.00 | 1,067.00 | | | 1,067.00 | 1,067.00 |
| **Current** | | | | | | | | |
| Trade receivables | - | - | 15,917.40 | 15,917.40 | - | - | 15,917.40 | 15,917.40 |
| Cash and cash equivalents | - | - | 21,712.95 | 21,712.95 | - | - | 21,712.95 | 21,712.95 |
| Others | - | - | 2,294.89 | 2,294.89 | - | - | 2,294.89 | 2,294.89 |
| | **-** | **191,478.93** | **45,684.24** | **237,163.17** | **-** | **-** | **237,163.17** | **237,163.17** |
| **Financial liabilities** | | | | | | | | |
| **Current** | | | | | | | | |
| Trade and other payables | - | - | 752.20 | 752.20 | - | - | 752.20 | 752.20 |
| Other Current Financial Liabilities | - | - | 5,275.47 | 5,275.47 | - | - | 5,275.47 | 5,275.47 |
| | **-** | **-** | **6,027.67** | **6,027.67** | **-** | **-** | **6,027.67** | **6,027.67** |

| As at March 31, 2017 | Carrying amount | | | | Fair value Hierarchy | | | |
|---|---|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets** | | | | | | | | |
| **Non Current** | | | | | | | | |
| *Investments* | | | | | | | | |
| Shares* | - | 174,101.22 | - | 174,101.22 | - | - | 174,101.22 | 174,101.22 |
| Loans | | | 4,000.00 | 4,000.00 | | | 4,000.00 | 4,000.00 |
| **Current** | | | | | | | | |
| Trade receivables | - | - | 4,688.63 | 4,688.63 | - | - | 4,688.63 | 4,688.63 |
| Cash and cash equivalents | - | - | 2,070.89 | 2,070.89 | - | - | 2,070.89 | 2,070.89 |
| Other Current Financial Assets | - | - | 341.12 | 341.12 | - | - | 341.12 | 341.12 |
| | **-** | **174,101.22** | **11,100.64** | **185,201.86** | **-** | **-** | **185,201.86** | **185,201.86** |
| **Financial liabilities** | | | | | | | | |
| **Current** | | | | | | | | |
| Trade and other payables | - | - | 752.27 | 752.27 | - | - | 752.27 | 752.27 |
| Other Current financial liabilities | - | - | 8,434.92 | 8,434.92 | - | - | 8,434.92 | 8,434.92 |
| | **-** | **-** | **9,187.19** | **9,187.19** | **-** | **-** | **9,187.19** | **9,187.19** |

*** Note: Includes investment in equity instruments of Joint ventures and associates initially recognized at cost of acquisition. The carrying value of the investments is adjusted to recognise changes in the group's share of net assets of the joint venture and associate since the acquisition date.**

Level - 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities

Level - 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level - 3 :inputs for the asset or liability that are not based on observable market data (unobservable inputs)

**NOTE 30 : FINANCIAL INSTRUMENTS (Contd.)**

**B. Measurement of fair values**

Valuation techniques and significant unobservable inputs
The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

**Financial instruments measured at fair value**

| Type | Valuation technique | Significant unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|---|---|---|---|
| Investment in equity shares of private limited companies | Discounted cash flow (DCF) method | Future estimated free cash flows available to the equity holders. This method takes into account the inherent strength of the business to generate cash flows | A 1% increase or decrease in the estimated discounted cash flow of the company is not likely to have any significant impact on the fair valuation of the equity instruments. |
| Investment in preference shares of private limited companies | Discounted cash flow (DCF) method | Future estimated free cash flows available to the equity holders. This method takes into account the inherent strength of the business to generate cash flows | A 1% increase or decrease in the estimated discounted cash flow of the company is not likely to have any significant impact on the fair valuation of the preference instruments. |

**Level 3 fair values**
Reconciliation of Level 3 fair values

The following table shows a reconciliation from the

| Particulars | Unlisted equity shares | Unlisted preference shares |
|---|---|---|
| Opening Balance(1 April 2017) | 36,689.76 | - |
| Gain/loss recognised in profit and loss (unrealised) | 122,744.95 | 14,635.00 |
| Purchases | 25.00 | 32.00 |
| Closing Balance (31 March 2017) | 159,459.70 | 14,667.00 |
| Opening Balance(1 April 2017) | 159,459.70 | 14,667.00 |
| Gain/loss recognised in profit and loss (unrealised) | (60.35) | (302.00) |
| Purchases | 14,831.00 | 2,586.00 |
| Sales | (8.00) | |
| Closing Balance (31 March 2018) | 174,221.36 | 16,950.00 |

**C. Financial risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The analysis of each risk is as follows:
A) Credit risk
Credit risk arises from cash and cash equivalents, instruments carried at amortised cost and deposits with banks, as well as credit exposures to customers including outstanding receivables.

**NOTE 31 : FINANCIAL RISK MANAGEMENT**

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings, investments and derivative financial instruments.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since it has no borrowings.

**(ii) Management of price risk:**

The Company invests its surplus funds in various unlisted equity and preference shares. Investments in unlisted equities and preference shares are susceptible to market price risk, arising from changes in availability of future free cash flow which may impact the return and value of the investments. The company mitigates this risk by periodically evaluating the performances of the investee company.

**(iii) Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits and periodic monitoring of the exposures. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

**Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)**

The currency profile of financial assets and financial liabilities as at March 31 2018, March 31 2017 and March 31 2016 are as below:

***Rupees in '000***

| | March 31 2018 GBP | March 31 2017 GBP |
|---|---|---|
| **Financial assets** | | |
| Trade receivables | 39.10 | 28.26 |
| | **39.10** | **28.26** |
| | | |
| **Net exposure** | **39.10** | **28.26** |

The following significant exchange rates have been applied during the year.

| | Year-end spot rate as at | |
|---|---|---|
| | March 31, 2018 | March 31, 2017 |
| UK Pound INR | 0.01 | 0.0116 |

**Sensitivity analysis**

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD at March 31 would have affected the measurement of financial instruments denominated in USD and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

***Rupees in '000***

| Effect in INR | Profit or loss | |
|---|---|---|
| | Strengthening | Weakening |
| **March 31, 2018** | | |
| **5% movement** | | |
| UK Pound | 1.95 | (1.95) |
| | **1.95** | **(1.95)** |

***Rupees in '000***

| Effect in INR | Profit or loss | |
|---|---|---|
| | Strengthening | Weakening |
| **March 31, 2017** | | |
| **5% movement** | | |
| UK Pound | 1.41 | (1.41) |
| | **1.41** | **(1.41)** |

**NOTE 31 : FINANCIAL RISK MANAGEMENT (Contd.)**

**B. MANAGEMENT OF CREDIT RISK:**

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in unlisted securities, foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

Other receivables consist primarily of security deposits, loans to employees and other receivables. The risk of default is assessed as low.
Security deposits includes amounts due in respect of certain lease contracts and tender deposits to Government of India.
The risk of default is considered low as the counterparties represent apart from the governmental authority large, well established companies within India.

Credit risk from investments of surplus funds is managed by the Company's treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counterparties who meet the minimum threshold requirements as prescribed by the Board. The Company monitors the financial strength of its counter parties and adjusts its exposure accordingly.

Credit risk on cash and cash equivalents is assessed as low risk as the company does not have any deposits and the entire amount represents balance in current account with banks

Credit risk for trade receivables is evaluated as follows

Expected credit loss for trade receivables and unbilled revenue under simplified approach

**Year ended March 31 2018**

Rupees in '000

| **Trade Receivables** | **Overdue for a period of less than a year** | **Overdue for a period of more than a year** | **Total** |
|---|---|---|---|
| Gross carrying amount | 15,917.40 | 3,783.05 | 19,700.45 |
| Expected credit loss rate | 0% | 100% | |
| Expected credit loss ( provision for credit loss) | - | (3,783.05) | (3,783.05) |
| Carrying amount of trade receivables | **15,917.40** | **-** | **15,917.40** |

**Year ended March 31 2017**

Rupees in '000

| **Trade Receivables** | **Overdue for a period of less than a year** | **Overdue for a period of more than a year** | **Total** |
|---|---|---|---|
| Gross carrying amount | 4,688.63 | - | 4,688.63 |
| Expected credit loss rate | 0% | 100% | |
| Expected credit loss ( provision for credit loss) | | | - |
| Carrying amount of trade receivables | **4,688.63** | **-** | **4,688.63** |

Management believes that the unimpaired amounts that are past due by less than a year are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

Rupees in '000

| | **Trade receivables Impairments** |
|---|---|
| Balance as at April 1, 2016 | - |
| Impairment loss recognised | - |
| Amounts written off | - |
| **Balance as at March 31, 2017** | **-** |
| Impairment loss recognised | 3,783.05 |
| Amounts written off | - |
| **Balance as at March 31, 2018** | **3,783.05** |

**NOTE 31 : FINANCIAL RISK MANAGEMENT (Contd.)**

**C. MANAGEMENT OF LIQUIDITY RISK:**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a robust cash management system in place.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

***Rupees in '000***

| | | Contractual cash flows | | | | |
|---|---|---|---|---|---|---|
| **March 31 2018** | **Carrying amount** | **Total** | **Less than 1 Year** | **1-2 years** | **2-5 years** | **More than 5 years** |
| **Non-derivative financial liabilities** | | | | | | |
| Trade and other payables | 752.20 | 752.20 | 752.20 | - | - | - |
| Other Financial Liabilities | 5,275.47 | 5,275.47 | 5,275.47 | - | - | - |

***Rupees in '000***

| | | Contractual cash flows | | | | |
|---|---|---|---|---|---|---|
| **March 31 2017** | **Carrying amount** | **Total** | **Less than 1 Year** | **1-2 years** | **2-5 years** | **More than 5 years** |
| **Non-derivative financial liabilities** | | | | | | |
| Trade and other payables | 752.27 | 752.27 | 752.27 | - | - | - |
| Other Financial Liabilities | 8,434.92 | 8,434.92 | 8,434.92 | - | - | - |

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

**32 (a) Additional Information, as required under Schedule III of Companies Act, 2013, of enterprises consolidated as Joint Ventures/Associates**

| No. | Name of the enterprise | 2017-18 | | | | 2016-17 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Net Assets (Total assets minus total liabilities) | | Share in Profit and loss | | Net Assets (Total assets minus total liabilities) | | Share in Profit and loss | |
| | | As a % of consolidated Net Assets | In Rs. | As a % of consolidated Profit and loss | In Rs. | As a % of consolidated Net Assets | In Rs. | As a % of consolidated Profit and loss | In Rs. |
| I | **Parent** | | | | | | | | |
| | Xelpmoc Design and Tech Private Limited | 99% | 189,781.00 | 101% | (35,801.00) | 100% | 132,131.00 | 100.03% | 73,019.00 |
| | | | | | | | | | |
| II | **Joint Venture** | | | | | | | | |
| | Fortigo Network Xelpmoc Private Limited | 0.23% | 446.00 | -1.12% | 397.00 | - | - | | - |
| | | | | | | | | | |
| III | **Associate** | | | | | | | | |
| | Madworks Venture Private Limited | 0.56% | 1,065.00 | 0.26% | (91.00) | - | | | - |
| | IFTOSI Jewels Private Limited | - | - | - | - | - | - | -0.03% | (25.00) |

**32 (b) Investment in Associates and JV**

The group's interest in associate and JV is accounted for using the equity method in the consolidated financial statements. The following table illustrate the summarised financial information of the Group's investment in associate and JV

| | As at 31 March 2018 | | As at 31 March 2017 | |
|---|---|---|---|---|
| **Summarised Balance sheet** | **Associate** | **Joint Venture** | **Associate** | **Joint Venture** |
| Current assets | 1,264.09 | 2,714.82 | 143.71 | - |
| Non current assets | 2,328.50 | 815.10 | 83.21 | - |
| Current liabilities | 1,822.33 | 2,620.26 | 27.70 | - |
| Non current liabilities | - | - | 1,269.64 | - |
| **Equity** | 1,770.26 | 909.66 | (1,070.42) | - |
| Proportion of group ownership | 22% | 49% | 25% | - |
| Group share in equity | 384.84 | 445.73 | (267.61) | - |
| Goodwill on acquisition/Loss absorbed | 680.15 | - | 250.00 | - |
| **Carrying amount of investments** | 1,064.99 | 445.73 | - | - |

**33 Other events after the reporting period**

**1 The Company has made the following investments after March 31, 2018:**

a) In April, 2018, the Company has invested Rs 738 thousand for a 9.75% stake in equity share capital of Snaphunt PTE Limited ("Snaphunt"), pursuant to the agreement dated 16 Novemeber, 2017. Snaphunt is engaged in a business of providing recruitment and assessment services thorugh a technology enabled platform.
Further, the Company has invested Rs 328 thousand in Optionally Convertible Preference Shares (OCPS) of Snaphunt.

b) In May, 2018, the Company has invested Rs 3,012 thousand Optinally Convertible Prefrence Shares (OCPS) of Kidsstoppress Media Private Limited ("Kidsstoppress"). Kidsstoppress is engaged in a business of providing children lifestyle blog, information on latest products/services to parents/kids and information relating to kids events in the city.

2 In July, 2018, the Company has disposed of its investment in equity shares in Fortigo Network Xelpmoc Private Limited ("Fortigo Network") amounting to Rs 31 thousand due to which the stake in Fortigo Netwrok is reduced from 49% to 18%.

3 In June, 2018, the Company has completely disposed of its investments in equity shares of IFTOSI Jewels Private Limited ("IFTOSI") amounting to Rs. 17 thousand.

**4** The shareholders of the Company accorded their consent to the issue and allotment of 65,999 equity shares of Rs 10 each at a price of Rs. 90 (including premium of Rs. 80 per share) per share, for cash, through private placement on a preferential basis to the proposed allottees at the Extraordinary General Meeting (EGM) held on April 30, 2018. On May 14, 2018, pursuant to allotment of these equity shares, the equity share capital of the Company has increased to 65,83,131 Equity Shares.

**5 Issue of Bonus Shares:**

The shareholders of the company, at the EGM dated July 28, 2018 accorded their consent to the issuance of the Bonus shares in the proportion of 55 Equity Shares for every 100 Equity Shares held by the members. Consequently, the number of shares has increased from 65,83,131 Equity Shares to 10,203,856 Equity Shares.
The impact of this issue on the earning per share is presented as below:

| Particulars | Earning Per Share before Bonus issue as at March 31, 2018 | Earning Per Share post Bonus issue as at March 31, 2018 |
|---|---|---|
| Basic (`) | (6.04) | (3.72) |
| Diluted (`) | (6.04) | (3.72) |

**6** The Company has been converted into Public Company under section 18 of Companies Act, 2013 w.e.f from July 20, 2018 and the name of the Company is changed to "Xelpmoc Design And Tech Limited".

In terms of our report attached

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

CA. Huzeifa Unwala
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**For Xelpmoc Design and Tech Limited**

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary

Place: Mumbai
Date: August 24, 2018

The following reconciliations provide the explanations and quantifications of the differences arising between Indian GAAP and Ind AS in accordance with Ind AS 101:

**i) Effect of Ind AS adoption on the balance sheet as at March 31 2018 and March 31 2017**

*Rupees in '000*

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Total Equity as per Indian GAAP** | **(2,877.00)** | **(44,400.02)** |
| **Summary of Ind AS adjustments** | | |
| Fair value Adjustments to the Investments | 173,663.31 | 174,025.65 |
| Lease Straighlining adjustments | 105.00 | - |
| Deferred tax on Ind AS Adjustments | (44,776.88) | (45,114.33) |
| **Total Ind AS adjustments** | **128,991.42** | **128,911.33** |
| **Summary of restated adjustments** | | |
| Prior period Expenses | - | (911.00) |
| Prior period Income | - | 315.00 |
| Prior period depreciation | - | (534.00) |
| **Total restatement adjustments** | **-** | **(1,130.00)** |
| **Summary of consolidation adjustments** | | |
| Increase in expenses on proportionate consolidation of JV as per IGAAP | (398.00) | |
| Elimination of expenses on intercompany transactions as per Ind AS | 72.28 | |
| **Total Consolidation adjustments** | **(325.72)** | **-** |
| **Total Equity as per Ind AS** | **125,788.71** | **83,380.98** |

**ii) Effect of Ind AS adoption on the Statement of profit and loss for the year ended March 31 2018 and March 31 2017:**

*Rupees in '000*

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Profit After Tax as per Indian GAAP** | **(36,686.50)** | **(27,902.70)** |
| **Summary of Ind AS adjustments** | | |
| Fair value Adjustments to the Investments | (362.35) | 137,379.95 |
| Lease Straighlining adjustments | 105.00 | - |
| Deferred tax on Ind AS Adjustments | 337.44 | (35,578.50) |
| **Total Ind AS adjustments** | **80.10** | **101,801.45** |
| **Summary of restated adjustments** | | |
| Prior period Expenses | 911.00 | (834.00) |
| Prior period Income | (315.00) | 315.00 |
| Prior period depreciation | 534.00 | (386.00) |
| **Total restatement adjustments** | **1,130.00** | **(905.00)** |
| **Summary of consolidation adjustments** | | |
| Increase in expenses on proportionate consolidation of JV as per IGAAP | (398.00) | |
| Elimination of expenses on intercompany transactions as per Ind AS | 72.28 | |
| **Total Consolidation adjustments** | **(325.72)** | **-** |
| **Total Comprehensive income as per Ind AS** | **(35,801.49)** | **72,993.60** |

**NOTE**
Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

**Annexure VI: Restated Consolidated Summary Statement of IGAAP to Ind AS Reconcilaition(Contd.)**

The financial information of the Company as at and for the year ended 31 March 2016, 31 March 2017 and 31 March 2018 is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) and accordingly suitable restatement adjustments in the accounting heads has been made in the financial information.

This Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended 31 March 2016, 31 March 2017 and 31 March 2018, as described in this Note.The impact of Ind AS 101 on the equity under Indian GAAP as at 31 March 2016, 31 March 2017 and 31 March 2018 and the impact on the profit or loss for the year ended 31 March 2016, 31 March 2017 and 31 March 2018 due to the Ind- AS principles applied during the year ended 31 March 2016, 31 March 2017 and 31 March 2018 can be explained as under:

**iii) Reconciliation of Balance sheet as previously reported under IGAAP to Ind AS**

***Rupees in '000***

| | | Opening Balance Sheet as at April 1, 2018 | | | | | Opening Balance Sheet as at April 1, 2017 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Foot Note No.** | **IGAAP** | **Impact due to difference in method of consolidation between IGAAP and Ind AS** | **Ind AS adjustments** | **Restatement Adjustments** | **Ind AS** | **IGAAP** | **Impact due to difference in method of consolidation between IGAAP and Ind AS** | **Ind AS adjustments** | **Restatement Adjustments** | **Ind AS** |
| **I. ASSETS** | | | | | | | | | | | |
| **Non-current assets** | | | | | | | | | | | |
| (a) Property, Plant and Equipment | **A** | 3,089.55 | - | - | - | 3,089.55 | 1,416.41 | - | | (534.00) | 882.41 |
| (b) Financial Assets | | | | | | | | | | | |
| (i) Investments in joint ventures & associates | **B & I** | 1,065.00 | 446.00 | - | - | 1,511.00 | - | - | - | | - |
| (ii) Other Investments | **B** | 16,304.62 | - | 173,663.31 | | 189,967.93 | 75.56 | - | 174,025.65 | | 174,101.22 |
| (iii) Loans | | 4,692.12 | - | - | - | 4,692.12 | 4,000.00 | - | - | | 4,000.00 |
| (iv) Others | | 1,066.67 | - | - | - | 1,066.67 | - | - | - | | - |
| (ii) Non-Current Tax Assets (Net) | **I** | 5,927.69 | (399.00) | - | - | 5,528.69 | 347.81 | - | - | | 347.81 |
| **Total Non Current Assets** | | **32,145.65** | **47.00** | **173,663.31** | **-** | **205,855.96** | **5,839.78** | **-** | **174,025.65** | **(534.00)** | **179,331.43** |
| **Current assets** | | | | | | | | | | | |
| (a) Financial Assets | | | | | | | | | | | |
| (i) Trade receivables | **I** | 20,950.93 | (5,033.53) | | - | 15,917.40 | 4,688.63 | - | - | - | 4,688.63 |
| (ii) Cash and cash equivalents | **I** | 21,734.95 | (22.00) | - | - | 21,712.95 | 2,070.89 | - | - | - | 2,070.89 |
| (iii) Others | **C** | 2,294.89 | - | - | - | 2,294.89 | 26.12 | - | - | 315.00 | 341.12 |
| (b) Other current assets | | 261.42 | - | - | - | 261.42 | 775.86 | - | - | | 775.86 |
| | | **45,242.18** | **(5,055.53)** | **-** | **-** | **40,186.66** | **7,561.50** | **-** | **-** | **315.00** | **7,876.50** |
| **Total Current Assets** | | **45,242.18** | **(5,055.53)** | **-** | **-** | **40,186.66** | **7,561.50** | **-** | **-** | **315.00** | **7,876.50** |
| **TOTAL ASSETS** | | **77,388.83** | **(5,008.53)** | **173,663.31** | **-** | **246,042.65** | **13,401.28** | **-** | **174,025.65** | **(219.00)** | **187,207.82** |
| **II. EQUITY AND LIABILITIES** | | | | | | | | | | | |
| **1. Equity** | | | | | | | | | | | |
| (a) Equity Share capital | | 65,171.32 | | - | - | 65,171.32 | 48,749.98 | - | - | | 48,749.98 |
| (b) Other Equity | **D** | (2,877.00) | (325.72) | 128,991.42 | - | 125,788.71 | (44,400.02) | | 128,911.00 | (1,130.00) | 83,380.98 |
| **Total Equity** | | **62,294.32** | **(325.72)** | **128,991.42** | **-** | **190,960.03** | **4,349.96** | **-** | **128,911.00** | **(1,130.00)** | **132,130.96** |
| **2. Liabilities** | | | | | | | | | | | |
| **Non-current liabilities** | | | | | | | | | | | |
| (a) Provisions | | 1,614.29 | - | - | - | 1,614.29 | (0.11) | - | | 319.07 | 318.96 |
| (b) Deferred tax liabilities (Net) | **E** | 0.93 | - | 44,775.88 | - | 44,776.81 | 157.19 | - | 45,114.33 | | 45,271.52 |
| (d) Other non-current liabilities | **G** | 104.00 | - | (104.00) | - | - | - | - | | | - |
| **Total Non Current Liabilities** | | **1,719.22** | **-** | **44,671.88** | | **46,391.11** | **157.08** | **-** | **45,114.33** | **319.07** | **45,590.48** |
| **Current liabilities** | | | | | | | | | | | |
| (a) Financial Liabilities | | | | | | | | | | | |
| (i) Trade payables | **F & I** | 4,347.20 | (3,595.00) | | | 752.20 | 220.27 | - | | 532.00 | 752.27 |
| (ii) Other financial liabilities | I | 6,278.47 | (1,003.00) | | | 5,275.47 | 8,374.92 | - | | 60.00 | 8,434.92 |
| (b) Other current liabilities | **I, J** | 2,692.23 | (86.00) | | | 2,606.23 | 299.19 | - | - | | 299.19 |
| (c) Provisions | | 57.62 | - | | | 57.62 | - | - | | | - |
| **Total Current Liabilities** | | **13,375.52** | **(4,684.00)** | **-** | | **8,691.52** | **8,894.38** | **-** | **-** | **592.00** | **9,486.38** |
| | | - | | | | - | - | | | | - |
| **TOTAL EQUITY AND LIABILITIES** | | **77,389.06** | **(5,008.72)** | **173,663.31** | | **246,042.65** | **13,401.42** | **-** | **174,025.33** | **(218.93)** | **187,207.82** |

Notes:

**A Property, Plant and Equipment**

a. Adjustments on account of depreciation charged at the wrong rate in the prior periods

b. Reclassification of Mobile phones from Computers to Office Equipments and hence change in the depreciation provided on this class of Property Plant and Equipment

**B Other non current Investments:**

Under the previous GAAP, investments in equity instruments were classified as long-term investments which were carried at cost less provision for other than temporary decline in the value of such instruments. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in Other Comprehensive Income for the year ended March 31, 2018 and March 31 2017. Investments in associates and JVs are valued at cost of acquisition plus the share of post acquisition profit/(loss).

**C Other Current Financial Assets**

Adjustments on account of omissions for interest accrued on corporate deposits granted by the company for the year ended 31 March , 2017

**D Other Equity**

Adjustment is on account of fair value of unquoted equity shares. The same has been adjusted in the Restated Statement balance sheet for the respective years to which they relate.

**E Deferred tax liabilities (Net)**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.
Deferrred tax has been computed on Ind AS adjustments made and has been adjusted in the Restated Financial Statements for the respective years to which they relate.

**F Impact on trade payables due to prior period items**

In the Financial statements for the years ended March 31, 2017 and period ended March 31, 2016 certain items of income/expenses have been identified as prior period items.For the purpose of this statement, such prior period items have been appropriately adjusted in the respective years.

**G Provision for lease straightlining**

Under the IGAAP, provision for lease straightlining is done for rent escalation during the lock in period, however, as the rent escalation is only 3%, the same is treated as in line with inflation as per Ind AS. Accordingly, no lease straightlining impact given under Ind AS.

**H Estimates**

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

**I Impact of Equity Accounting of interest in Joint Ventures & Associates**

This represents the difference in the method of consolidation for joint venture as per IGAAP and Ind AS. Under IGAAP, the joint venture is consolidated using proportionate consolidation method and under Ind AS, the joint venture is consolidated using the equity method and upstream and downstream transactions between the company and its associates and JVs are recognised only to the extent of unrelated investors' interest in the associate and JVs

**J Material Regrouping**

Appropriate adjustments have been made in the Restated Financial Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities, receipts and payments in order to bring them in line with the groupings as per the restated consolidated financial statements ofthe Company for the year ended March 31,2018 and 31 March 2017.

**Annexure VI: Restated Consolidated Summary Statement of IGAAP to Ind AS Reconcilaition(Contd.)**

**iv) Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS**

*Rupees in '000*

| | Foot Note No. | Statement of Profit & Loss for the year ended March 31, 2018 | | | | | Statement of Profit & Loss for the year ended March 31, 2017 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | IGAAP | Impact due to difference in method of consolidation between IGAAP and Ind AS | Ind AS adjustments | Restatement Adjustments | Ind AS | IGAAP | Impact due to difference in method of consolidation between IGAAP and Ind AS | Ind AS adjustments | Restatement Adjustments |
| **Revenue** | | | | | | | | | | |
| **I** Revenue from Operations | **G** | 54,189 | (5,489) | - | - | 48,700 | 18,839 | | - | |
| **II** Other Income | **A** | 925 | - | - | (315) | 610 | 81 | | | 315 |
| **III Total Income (I + II)** | | **55,114** | **(5,489)** | **-** | **(315)** | **49,310** | **18,920** | **-** | **-** | **315** |
| **IV Expenses** | | | | | | | | | | |
| Employee Benefits Expense | **B & D** | 36,966 | - | (677) | 224 | 36,513 | 31,273 | | - | 400 |
| Finance Costs | **H** | 35 | - | - | | 35 | 0 | | - | 54 |
| Depreciation and Amortization Expense | **C,D & E** | 1,264 | - | - | (534) | 730 | 523 | | | 386 |
| Other Expenses | **D,F, G & H** | 52,573 | (4,625) | (104) | (224) | 47,620 | 14,844 | | - | 234 |
| **Total Expenses** | | **90,839** | **(4,625)** | **(781)** | **(534)** | **84,898** | **46,641** | **-** | **-** | **1,074** |
| Prior Period Expenses | **D** | 911 | - | | (911) | - | | | | |
| **V Profit Before Share of Net Profit of Associates and Joint Ventures accounted using Equity method and Tax** | | **(36,636)** | **(864)** | **781** | **1,130** | **(35,588)** | **(27,721)** | **-** | **-** | **(759)** |
| **VI Share of Net Profit of Associates and Joint Ventures accounted using Equity method** | **G** | **(66)** | **397** | | **-** | **331** | **(25)** | | **-** | |
| **VII Profit Before Tax (V-VI)** | | **(36,702)** | **(467)** | **781** | **1,130** | **(35,257)** | **(27,746)** | **-** | **-** | **(759)** |
| **VIII Tax Expense** | | | | | | | | | | |
| (1) Current Tax | **G** | 141 | (141) | - | | - | | | | |
| (2) Deferred Tax | **E** | (157) | | (67) | | (224) | (157) | | 102 | |
| **Total Tax Expense** | | **(16)** | **(141)** | **(67)** | **-** | **(224)** | **(157)** | | **102** | |
| **IX Profit (Loss) for the year (VII-VIII)** | | **(36,686)** | **(326)** | **848** | **1,130** | **(35,032)** | **(27,903)** | | **102** | **(759)** |
| **X Other Comprehensive Income** | | - | | - | | - | - | | - | |
| **A (i) Items that will not be reclassified to profit or loss** | | | | | | | | | | |
| Remeasurements of defined benefit plans | **B** | (0) | | (677) | | (677) | - | | | (146) |
| Net (loss)/gain on FVTOCI equity securities | | - | | (362) | | (362) | - | | 137,380 | |
| **Income tax related to items that will not be reclassified to profit or loss** | | - | | - | | - | - | | - | |
| Income tax effect | **E** | - | | 270 | | 270 | - | | (35,681) | |
| **XI Total Comprehensive Income for the year (IX+X)** | | **(36,686)** | **(326)** | **80** | **1,130** | **(35,801)** | **(27,903)** | **-** | **101,801** | **(905)** |

**Notes**

**A Other Income**

1 Adjustments on account of ommission for interest accrued on corporate deposits granted by the company for the year ended 31 March 2017.

2 Adjustment on account of appreciation in the value of unquoted equity shares at fair value which is routed through Statement of Profit and Loss as per the requirement of Ind AS.

**B Employee Benefit Expenses**

**Other comprehensive income**

Both under Indian GAAP and Ind AS the Company recognised costs related to post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, actuarial gains and losses are charged to profit or loss, however in Ind AS the actuarial gains and losses are recognised through other comprehensive income & not reclassifed to Profit & Loss in subsequent period. The amount is presented in the Statement of Other Comprehensive Income net of deferred tax.

**C Depreciation and Ammortisation**

a. Adjustments on account of depreciation charged at the wrong rate in the prior periods

b. Reclassification of Mobile phones from Computers to Office Equipments and hence change in the depreciation provided on this class of Property Plant and Equipment

**D Prior Period Expenses**

In the Financial statements for the years ended March 31, 2017 and period ended March 31, 2016 certain items of income/expenses have been identified as prior period items.For the purpose of this statement, such prior period items have been appropriately adjusted in the respectiveyears as against the current reporting period under IGAAP

**E Deferred tax expenses**

Deferrred tax has been computed on Ind AS adjustments made and has been adjusted in the Restated Financial Statements for the respective years to which they relate in the statement of profit and loss. Deferred tax pertaining to amount on remeasuremnet gain/loss on defined benefit plan is accounted for in the statement of Other Comprehensive Income as per the requirement of the Ind AS

**F Provision for lease straightlining**

Under the IGAAP, provision for lease straightlining is done for rent escalation during the lock in period, however, as the rent escalation is only 3%, the same is treated as in line with inflation as per Ind AS. Accordingly, no lease straightlining impact given under Ind AS.

**G Impact of Equity Accounting of interest in Joint Ventures & Associates**

This represents the difference in the method of consolidation for joint venture as per IGAAP and Ind AS. Under IGAAP, the joint venture is consolidated using proportionate consolidation method and under Ind AS, the joint venture is consolidated using the equity method and upstream and downstream transactions between the company and its associates and JVs are recognised only to the extent of unrelated investors' interest in the associate and JVs

**H Material Regrouping**

Appropriate adjustments have been made in the Restated Financial Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities, receipts and payments in order to bring them in line with the groupings as per the restated consolidated financial statemnets ofthe Company for the year ended March 31,2018m 31March 2017 and 31 March 2016.

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**
**Annexure VII: Restated Consolidated Statement of Accounting Ratios**

| Sr. no | Particulars | Rupees in 1000 | |
|---|---|---|---|
| | | **2018** | **2017** |
| 1 | PAT | (35,032.34) | (28,559.32) |
| | | | |
| | Paid up equity capital | 65,171.32 | 48,749.98 |
| | Other Equity | 125,788.71 | 83,380.98 |
| 2 | Shareholders funds / Net worth | 190,960.03 | 132,130.96 |
| 3 | Average Networth | 161,545.49 | 66,065.48 |
| | | | |
| **4** | **Average Return on net worth % considering PAT (1/3*100)** | **-21.69%** | **-43.23%** |
| | | | |
| 5 | No of shares outstanding on year end | 6,517,132 | 4,874,998 |
| 6 | Weighted average no of equity shares outstanding during the year for restated basic EPS | 9,417,032 | 5,512,162 |
| 7 | Weighted average no of equity shares outstanding during the year for restated diluted EPS | 9,417,032 | 5,512,162 |
| | **Restated basic EPS (1/6)** | **(3.72)** | **(5.18)** |
| | **Restated diluted EPS (1/7)** | **(3.72)** | **(5.18)** |
| | **Net Asset Value (2/5)** | **29.30** | **27.10** |

Notes: 1. The ratios on the basis of Restated Financial Information have been computed as below

Basic Earnings per share (Rs.) = Net profit as restated, attributable to equity shareholders / Weighted average number of equity shares

Diluted Earnings per share (Rs.) = Net profit as restated, attributable to equity shareholders / Weighted average number of dilutive equity shares

Average return on net worth (%) = Net profit after tax, as restated / Average Net worth, as restated *100

Net Asset Value (NAV) per equity share (Rs.) = Net worth as restated, at the end of the year / Number of equity shares outstanding at the end of the year

Net Worth = Equity share capital + Other Equity, as restated

2. The above ratios have been computed on the basis of the information in Annexure I to Annexure V of the Restated Consolidated Financial Information

3. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the 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.

4. The Company does not have any dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the company remain the same.

5. The shareholders of the Company, at the EGM dated July 28, 2018 accorded their consent to the issuance of the Bonus shares in the proportion of 55 Equity Shares for every 100 Equity Shares held by the members. Consequently, the number of shares has increased to 10,203,856 Equity Shares.

6. As per Ind AS-33, if the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are approved for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares. Pursuant to the issue of bonus equity shares as mentioned above, the weighted average numbers of shares and consequently the basic and diluted earnings per share have been adjusted in the financial statements for all the periods presented.

7. Average Net worth means average of the opening and closing net worth for the year.

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**
**Annexure VIII: Restated Consolidated Statement of Tax Shelter**

| | | (Rs in 1000) | |
|---|---|---|---|
| | | As at | |
| | Particulars | 31-Mar-18 | 31-Mar-17 |
| A | Restated profit before tax | (35,256.54) | (28,504.58) |
| B | Tax rate - statutory rate | 25.75% | 25.75% |
| C | Tax as per actual rate on profits (A*B) | - | - |
| | | | |
| | Tax impact on Permanent differences | | |
| | Interest on TDS | 9.00 | 14.00 |
| | Prior period Expenses | - | 152.00 |
| **D** | **Total tax impact on permanent differences** | **9.00** | **166.00** |
| | | | |
| | Tax impact on Timing differences | | |
| | Property, Plant and Equipment | 33.54 | 2.06 |
| | Defined benefit obligations & Other long term employee benefits | 109.00 | 24.72 |
| | Others | 81.00 | (81.11) |
| **E** | **Total tax impact on timing differences** | **224.20** | **(54.74)** |
| | | | |
| F | Total tax impact (D+E) | 233.20 | 112.26 |
| | | | |
| G | Current Tax (C-F) | - | - |
| | | | |
| | Calculation of MAT | | |
| H | Book profit as per MAT | (32,382.77) | (28,504.58) |
| I | MAT Rate % | 19.06% | 19.06% |
| J | Tax liability as per MAT (H*I) | - | - |
| | | | |
| | Current Tax (Higher of G or J) | - | - |
| | Deferred tax charge for the year | (224.20) | 54.74 |
| | **Total Tax expense** | **(224.20)** | **54.74** |

| | | | |
|---|---|---|---|
| | **As per Restated Consolidated Financial Statement** | | |
| | Current tax | - | - |
| | Deferred tax | (224.20) | 54.74 |
| | **Total Tax expense as per Restated Consolidated Financial Statements** | **(224.20)** | **54.74** |

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**
**Annexure IX: Restated Consolidated Statement of Capitalisation**

| Particulars | Rs in 1000 | |
|---|---|---|
| | Pre issue as at 31.3.18 | Post issue (as adjusted for issue) |
| **Borrowings** | | |
| Short term | NIL | [.] |
| Long term (including current maturities) (a) | NIL | [.] |
| **Total borrowings (b)** | **NIL** | [.] |
| | | |
| **Shareholders funds** | | |
| Share capital | 65,171.32 | [.] |
| Other Equity as restated | 125,788.71 | [.] |
| **Total Shareholders Funds (c)** | 190,960.03 | [.] |
| | | |
| **Long term borrowings / equity ratio (a/c)** | NIL | [.] |
| **Total borrowings / equity ratio (b/c)** | NIL | [.] |

Note

The shareholders of the Company accorded their consent to the issue and allotment of 65,999 equity shares of Rs 10 each at a price of Rs. 90 (including premium of Rs. 80 per share) per share, for cash, through private placement on a preferential basis to the proposed allottees at the Extraordinary General Meeting (EGM) held on April 30, 2018. On May 14, 2018, pursuant to allotment of these equity shares, the equity share capital of the Company has increased to 65,83,131 Equity Shares.

The shareholders of the company, at the EGM dated July 28, 2018 accorded their consent to the issuance of the Bonus shares in the proportion of 55 Equity Shares for every 100 Equity Shares held by the members. Consequently, the number of shares has increased from 65,83,131 Equity Shares to 10,203,856 Equity Shares.

## EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

Ref. JHS/MUM/2018-19/22

To,

**The Board of Directors,**
**Xelpmoc Design and Tech Limited,**
**Bangalore.**

Dear Sirs,

1. We have examined the attached Restated Standalone Ind AS Financial Information of Xelpmoc Design and Tech Limited (the "Company") which comprises of Restated Standalone Statement of Assets and Liabilities of the Company as at March 31,2018, March 31, 2017,March 31, 2016, the Restated Standalone Statement of Profit and Loss, the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash flows for the years ended March 31, 2018, March 31, 2017 and period ended March 31, 2016 and Summary of Significant Accounting Policies and accompanying annexures to Restated Standalone Financial Information (collectively referred as "Restated Standalone Financial Information") annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its proposed initial public offer ("IPO"). The Restated Standalone Ind AS Financial Information, has been approved by the Board of Directors of the Company, and prepared in accordance with the requirements of:

    a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014;

    b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 on Clarification regarding disclosures in Offer Documents issued by the Securities and Exchange Board of India (the "SEBI"); and

    c. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note")

**Management's Responsibility for the Restated Standalone Ind AS Summary Statements**

2. The preparation of the Restated Standalone Financial Information, which are to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the ICDR Regulations.

**Auditors' Responsibilities**

3. We have examined such Restated Standalone Financial Information taking into consideration:

a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated April 17, 2018 in connection with the proposed Initial Public Offering (IPO) of the Company;

b. The Guidance Note (Revised) on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India;

c. The requirements of Section 26 of the Act and the ICDR Regulations; and

d. The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

4. The Restated Standalone Financial Information, expressed in Indian Rupees, in thousands, have been compiled by the Management from :

a. The audited standalone financial statements of the Company as at and for the year ended March 31, 2018, 2017 and 2016 are prepared in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, ("Indian GAAP")read with Companies (Accounting Standards) Rules, 2015, as amended, which have been approved by the Board of directors at their meetings held on 2nd September 2016, 4th September 2017, and 25th June 2018 respectively.

b. The Standalone Financial Statements for the year ended March 31, 2017 and period ended 31 March 2016 were not audited by us. M/s Venu and Vinay, Chartered Accountants, (the "Prior Auditors") have audited the standalone financial statements of the Company as at and for the financial year ended March 31, 2017 and period ended March 31, 2016. Accordingly reliance has been placed on the standalone audited statements of accounts and audit report thereon issued by the Prior Auditors for the financial year audited by them.

5. Our work has been carried out in accordance with the Standards on Auditing under section 143(10) of the Act, Guidance Note on Reports in Company Prospectuses (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable rules and the ICDR Regulations. This work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the IPO.

**Opinion**

6. In accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with the Rules, the ICDR Regulations and the Guidance Note, we have examined the following summarized financial statements of the Company contained in the Restated Standalone Financial Information of the Company which have been arrived after making adjustments and regrouping /reclassifications, which in our opinion were appropriate, and have been fully described in Annexure VI: Notes on Restatement Adjustments to audited standalone financial statements and based on our examination, we report that :

i. The Restated Standalone Statement of Assets and Liabilities of the Company, as at March 31, 2018, March 31, 2017 and March 31, 2016, examined by us, as set out in Annexure I to this report, have been

arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure VI

ii. The Restated Standalone Statement of Profit and Loss of the Company, for the years ended March 31, 2018, March 31, 2017 and March 31, 2016, examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI.

iii. The Restated Standalone Statement of Changes in Equity of the Company, for the years ended March 31, 2018, March 31, 2017 and March 31, 2016, examined by us, as set out in Annexures III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI.

iv. The Restated Standalone Statement of Cash Flows of the Company for the years ended March 31, 2018, March 31, 2017 and March 31, 2016 , examined by us, as set out in Annexures IV to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI.

7. Based on the above and according to the information and explanations given to us, we further report that the Restated Standalone Financial Information of the Company, as attached to this report and as mentioned in paragraph 7 above, read with Notes on Adjustments for Restatement of Standalone Profit and Loss enclosed in Annexure VI, Significant Accounting Policies and Notes forming part of the Financial Information enclosed in Annexure V have been prepared in accordance with the Act, the Rules, and the ICDR Regulations and ;

   a. have been made after incorporating adjustments for the changes in accounting policies of the Company in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting years/period;
   b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;
   c. There are no qualifications in the Auditor's Reports on the audited standalone financial statements of the Company as at March 31, 2018, 2017 and period ended 2016 which require any adjustments; and
   d. There are no extra-ordinary items that needs to be disclosed separately.

8. We have also examined the following Restated Standalone Financial Information of the Company set out in the Annexures prepared by the Management and approved by the Board of Directors on August 24, 2018 as at and for the years ended on March 31, 2018, 2017 and 2016.

   1) Notes on Adjustment for Restatement of Standalone Profit and Loss as enclosed in Annexure VI;
   2) Significant Accounting Policies and Notes forming part of the Restated Standalone Financial Information as enclosed in Annexure V(1);
   3) Restated Standalone Summary Statement of Property, Plant and Equipment as enclosed in Note 1 to Annexure V(2);
   4) Restated Standalone Summary Statement of Investments as enclosed in Note 2 & 3 to Annexure V(2);
   5) Restated Standalone Summary Statement of Non - Current Loans as enclosed in Note 4 to Annexure V(2);
   6) Restated Standalone Summary Statement of Other Non-current Financial Assets as enclosed in Note 5 to Annexure V(2);
   7) Restated Standalone Summary Statement of Other Non-current Assets as enclosed in Note 6 to Annexure V(2);
   8) Restated Standalone Summary Statement of Trade receivables as enclosed in Note 7 to Annexure V(2);
   9) Restated Standalone Summary Statement of Cash and Cash Equivalents as enclosed in Note 8 to Annexure V(2);
   10) Restated Standalone Summary Statement of Other Current Financial Assets as enclosed in Note 9 to Annexure V(2);

11) Restated Standalone Summary Statement of Other Current Assets as enclosed in Note 10 to Annexure V(2);
12) Restated Standalone Summary Statement of Equity Share Capital as enclosed in Note 11 to Annexure V(2);
13) Restated Standalone Summary Statement of Other Equity as enclosed in Note 12 to Annexure V(2);
14) Restated Standalone Summary Statement of Other Non-Current Provision as enclosed in Note 13 to Annexure V(2);
15) Restated Standalone Summary Statement of Deferred Tax Liability as enclosed in Note 14 to Annexure V (2);
16) Restated Standalone Summary Statement of Trade Payable as enclosed in Note 15 to Annexure V(2) ;
17) Restated Standalone Summary Statement of Other Current Financial Liabilities as enclosed in Note 16 to Annexure V(2);
18) Restated Standalone Summary Statement of Other Current Liabilities as enclosed in Note 17 to Annexure V(2);
19) Restated Standalone Summary Statement of Current Provisions as enclosed in Note 18 to Annexure V(2);
20) Restated Standalone Summary Statement of Revenue from Operations as enclosed in Note 19 to Annexure V(2);
21) Restated Standalone Summary Statement of Other Income (Net) as enclosed in Note 20 to Annexure V(2);
22) Restated Standalone Summary Statement of Employee Benefit Expense as enclosed in Note 21 of Annexure V(2);
23) Restated Standalone Summary Statement of Finance costs as enclosed in Note 22 of Annexure V(2);
24) Restated Standalone Summary Statement of Depreciation and Amortization Expense as enclosed in Note 23 of Annexure V(2);
25) Restated Standalone Summary Statement of Other Expense expenses as enclosed in Note 24 to Annexure V(2);
26) Restated Standalone Summary Statement of Earing Per Share as enclosed in Note 25 to Annexure V(2);
27) Statement of Related Party Transactions as enclosed in Note 26 to Annexure V(2);
28) Restated Standalone Summary Statement of Additional information as enclosed in Note 27, 28, 29, 30, 31, and 32 to Annexure V(2);
29) Restated Standalone Statement of Accounting Ratios as enclosed in Annexure VII.
30) Restated Standalone Statement of Tax shelter as enclosed in Annexure VIII; and
31) Restated Standalone Statement of Capitalisation as enclosed in Annexure IX.

According to the information and explanations given to us, in our opinion, the Restated Standalone Financial Information contained in Annexures I to IV and the above Restated Standalone Other Financial Information contained in Annexures V to IX accompanying this report, read with Significant Accounting Policies and Notes forming part of the Restated Standalone financial information disclosed in Annexure V , are prepared after making adjustments and regroupings or reclassifications as considered appropriate and have been prepared in accordance with the Act, the Rules, and the ICDR Regulations and the Guidance Note.

9. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or the Prior Auditors of the Company, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

**Restriction on Use**

**11.** Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, Registrar of Companies, Karnataka, Bengaluru National Stock Exchange of India Limited and BSE Limited in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For JHS & Associates LLP**
**Chartered Accountants**
**Firm Registration No. 1333288W/W100099**

**CA. Huzeifa Unwala**
**Partner**
**Membership No.: 105711**
**Place: Mumbai**
**Dated: August 24, 2018**

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**

**Annexure I: Restated Standalone Summary Statement of Assets and Liabilities**

*Rupees in '000*

| | Note No. | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|---|
| **I. ASSETS** | | | | |
| **Non-current assets** | | | | |
| (a) Property, Plant and Equipment | 1 | 3,089.55 | 882.41 | 1,091.10 |
| (b) Financial Assets | | | | |
| (i) Investments in associates | 2 | 1,204.55 | 25.00 | - |
| (ii) Other Investments | 3 | 189,967.93 | 174,101.22 | 36,689.76 |
| (iii) Loans | 4 | 4,692.12 | 4,000.00 | 2,000.00 |
| (iv) Others | 5 | 1,066.67 | - | - |
| (c) Non-Current Tax Assets (Net) | 6 | 5,528.69 | 347.81 | - |
| **Total Non Current Assets** | | **205,549.51** | **179,356.43** | **39,780.86** |
| **Current assets** | | | | |
| (a) Financial Assets | | | | |
| (i) Trade receivables | 7 | 20,817.95 | 4,688.44 | 208.33 |
| (ii) Cash and cash equivalents | 8 | 21,712.95 | 2,070.89 | 1,712.98 |
| (iii) Others | 9 | 2,294.89 | 341.12 | 16.00 |
| (b) Other current assets | 10 | 262.42 | 775.86 | 132.37 |
| | | **45,088.21** | **7,876.31** | **2,069.68** |
| **Total Current Assets** | | **45,088.21** | **7,876.31** | **2,069.68** |
| **TOTAL ASSETS** | | **250,637.65** | **187,232.82** | **41,850.43** |
| **II. EQUITY AND LIABILITIES** | | | | |
| **1. Equity** | | | | |
| (a) Equity Share capital | 11 | 65,171.32 | 48,749.98 | 18,749.99 |
| (b) Other Equity | 12 | 125,807.71 | 83,405.98 | 10,387.38 |
| **Total Equity** | | **190,979.03** | **132,155.96** | **29,137.37** |
| **2. Liabilities** | | | | |
| **Non-current liabilities** | | | | |
| (a) Provisions | 13 | 1,614.29 | 318.96 | 76.61 |
| (b) Deferred tax liabilities (Net) | 14 | 44,776.81 | 45,271.52 | 9,535.83 |
| **Total Non Current Liabilities** | | **46,391.11** | **45,590.48** | **9,612.44** |
| **Current liabilities** | | | | |
| (a) Financial Liabilities | | | | |
| (i) Trade payables | 15 | 4,347.20 | 752.27 | 624.46 |
| (ii) Other financial liabilities | 16 | 6,256.47 | 8,434.92 | 1,703.94 |
| (b) Other current liabilities | 17 | 2,606.23 | 299.19 | 772.11 |
| (c) Provisions | 18 | 57.62 | - | 0.11 |
| (d) Liabilities for Current Tax(Net) | | - | - | - |
| **Total Current Liabilities** | | **13,267.52** | **9,486.38** | **3,100.62** |
| **TOTAL EQUITY AND LIABILITIES** | | **250,637.65** | **187,232.82** | **41,850.43** |

Significant Accounting Policies and accompanying Notes form an integral part of the standalone Financial Statements
Note: The above statements should be read with Significant Accounting Policies in Annexure V (1) and Notes forming part of the Restated Standalone Financial Information in Annexure V (2).

In terms of our report attached

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

**CA. Huzeifa Unwala**
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**For Xelpmoc Design and Tech Limited**

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary
Place: Mumbai
Date: August 24, 2018

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**

**Annexure II: Restated Standalone Summary Statement of Profit and Loss**

*Rupees in '000*

| | | Note No. | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|---|---|
| **Revenue** | | | | | |
| I | Revenue from Operations | 19 | 53,601.34 | 18,838.96 | 208.33 |
| II | Other Income | 20 | 610.04 | 396.51 | - |
| **III** | **Total Income (I + II)** | | **54,211.38** | **19,235.47** | **208.33** |
| **IV** | **Expenses** | | | | |
| | Employee Benefits Expense | 21 | 36,512.90 | 31,673.03 | 13,529.20 |
| | Finance Costs | 22 | 34.94 | 54.31 | - |
| | Depreciation and Amortization Expense | 23 | 729.69 | 909.28 | 299.62 |
| | Other Expenses | 24 | 52,196.40 | 15,078.44 | 3,102.01 |
| | **Total Expenses** | | **89,473.92** | **47,715.05** | **16,930.83** |
| **V** | **Profit Before Tax (III-IV)** | | **(35,262.54)** | **(28,479.58)** | **(16,722.49)** |
| **VI** | **Tax Expense** | | | | |
| | (1) Deferred Tax | | (224.20) | 54.74 | 7.95 |
| | **Total Tax Expense** | | **(224.20)** | **54.74** | **7.95** |
| **VII** | **Profit for the Year (V-VI)** | | **(35,038.34)** | **(28,534.32)** | **(16,730.44)** |
| **VIII** | **Other Comprehensive Income** | | | | |
| **A** | **(i) Items that will not be reclassified to profit or loss** | | | | |
| | Remeasurements of defined benefit plans | | (677.05) | (146.28) | - |
| | Income tax effect | | 176.03 | 38.03 | |
| | Net (loss)/gain on FVTOCI equity securities | | (362.35) | 137,379.95 | 36,645.70 |
| | Income tax effect | | 94.21 | (35,718.79) | (9,527.88) |
| | **Total Comprehensive Income for the year (IX+X)** | | **(35,807.49)** | **73,018.60** | **10,387.38** |
| **IX** | **Earnings per Equity Share *(Face Value ` 1)*** | 25 | | | |
| | (1) Restated Basic (`) | | (3.72) | (5.18) | (4.62) |
| | (2) Restated Diluted (`) | | (3.72) | (5.18) | (4.62) |

Significant Accounting Policies and accompanying Notes form an integral part of the standalone Financial Statements
Note: The above statements should be read with Significant Accounting Policies in Annexure V (1) and Notes forming part of the Restated Standalone Financial Information in Annexure V (2).

In terms of our report attached

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

**For Xelpmoc Design and Tech Limited**

**CA. Huzeifa Unwala**
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary
Place: Mumbai
Date: August 24, 2018

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**

**Annexure III: Restated Standalone Summary Statement of Changes in Equity**

| **(a) Equity share capital** | | ***Rupees in '000*** |
|---|---|---|
| Shares issued during the period 31 March 2016 | | ***18,749.99*** |
| **As at March 31, 2016** | | |
| As at April 1, 2016 | | 18,749.99 |
| Changes in equity share capital during the year | - | 29,999.99 |
| **As at March 31, 2017** | | **48,749.98** |
| Changes in equity share capital during the year | - | 16,421.34 |
| **As at March 31, 2018** | | **65,171.32** |

**Note 14: Restated summary statement of changes in equity**

**(b) Other equity (Refer Note 13)** ***Rupees in '000***

| **Particulars** | | | **Other comprehensive income** | **Total** |
|---|---|---|---|---|
| | **Securities premium reserve** | **Retained Earnings** | **Other comprehensive income** | |
| **Opening balance** | | **-** | | |
| Changes in accounting policy / prior period errors | | **-** | | |
| **Restated balance at the beginning of the reporting period** | | - | | |
| Premium on issuance of equity shares | | **-** | | |
| Profit for the year | | **(16,730.44)** | | |
| Remeasurements of defined benefit plans | | | **-** | |
| Net (loss)/gain on FVTOCI equity securities | | | **27,117.82** | |
| **Total comprehensive income for the year** | | **(16,730.44)** | **27,117.82** | |
| **Balance at March 31, 2016** | **-** | **(16,730.44)** | **27,117.82** | **10,387.38** |
| Changes in accounting policy / prior period errors | | | | - |
| **Restated balance at the beginning of the reporting period** | **-** | **(16,730.44)** | **27,117.82** | **10,387.38** |
| Premium on issuance of equity shares | | | | |
| Profit for the year | | (28,534.32) | | (28,534.32) |
| Remeasurements of defined benefit plans | | | (108.25) | (108.25) |
| Net (loss)/gain on FVTOCI equity securities | | | 101,661.16 | 101,661.16 |
| **Total comprehensive income for the year** | **-** | **(28,534.32)** | **101,552.92** | **73,018.60** |
| **Balance at March 31, 2017** | **-** | **(45,264.76)** | **128,670.74** | **83,405.98** |
| Changes in accounting policy / prior period errors | | | | - |
| **Restated balance at the beginning of the reporting period** | **-** | **(45,264.76)** | **128,670.74** | **83,405.98** |
| Premium on issuance of equity shares pursuant to right issue | 78,209.22 | - | | 78,209.22 |
| Profit for the year | | (35,038.34) | - | (35,038.34) |
| Remeasurements of defined benefit plans | | | (501.02) | (501.02) |
| Net (loss)/gain on FVTOCI equity securities | | | (268.14) | (268.14) |
| **Total comprehensive income for the year** | **78,209.22** | **(35,038.34)** | **(769.15)** | **42,401.73** |
| **Balance at March 31, 2018** | **78,209.22** | **(80,303.09)** | **127,901.58** | **125,807.71** |

Significant Accounting Policies and accompanying Notes form an integral part of the standalone Financial Statements
Note: The above statements should be read with Significant Accounting Policies in Annexure V (1) and Notes forming part of the Restated Standalone Financial Information in Annexure V (2).

In terms of our report attached

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

**For Xelpmoc Design and Tech Limited**

**CA. Huzeifa Unwala**
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary
Place: Mumbai
Date: August 24, 2018

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**
**Annexure IV: Restated Standalone Summary Statement of Cash Flows**

***Rupees in '000***

| | Year ended March 31, 2018 | | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|---|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES:** | | | | |
| Profit Before Income Tax | | | | |
| Continuing operations | | (35,262.54) | (28,479.58) | (16,722.49) |
| Discontinued operations | | | | |
| Profit Before Income Tax | | (35,262.54) | (28,479.58) | (16,722.49) |
| **Adjustment for:** | | | | |
| Depreciation and Amortization Expense | 729.69 | | *909.28* | *299.62* |
| Interest Income | (383.10) | | *(314.51)* | - |
| Interest Expense | 34.94 | | *54.31* | - |
| Provision for Doubtful Debt | 3,783.05 | | - | - |
| Other Comprehensive Income | (1,039.40) | | *137,233.67* | *36,645.70* |
| | | 3,125.17 | *137,882.74* | *36,945.32* |
| **Operating Cash Flows Before Working Capital Changes** | | (32,137.36) | *109,403.17* | *20,222.83* |
| **Adjustments for:** | | | | |
| (Increase)/Decrease in Trade Receivables (Current) | (19,912.56) | | *(4,480.10)* | *(208.33)* |
| (Increase)/Decrease in Others (Current Financial Assets) | (1,570.67) | | *(10.00)* | *(16.00)* |
| (Increase)/Decrease in Other Current Assets | 513.44 | | *(643.49)* | *(132.37)* |
| Increase/(Decrease) in Provisions (Non-Current ) | 1,295.33 | | *242.36* | *76.61* |
| Increase/(Decrease) in Trade Payables | 3,594.93 | | *127.81* | *624.46* |
| Increase/(Decrease) in Other financial liabilities (Current) | 3,017.55 | | *3,059.98* | *178.94* |
| Increase/(Decrease) in Other current liabilities (Current) | 2,307.04 | | *(472.92)* | *772.11* |
| Increase/(Decrease) in Provisions (Current ) | 57.62 | | *(0.11)* | *0.11* |
| | | (10,697.00) | *(2,176.48)* | *1,295.53* |
| **Cash Generated from / (used) in Operations** | | (42,834.36) | *107,226.69* | *21,518.35* |
| **Adjustment for:** | | | | |
| Income Taxes Paid | (5,180.87) | | *(347.81)* | - |
| **Income Taxes Paid** | | **(5,180.87)** | ***(347.81)*** | - |
| **Net Cash Flow from Operating Activities before investing and financing activities** | | (48,015.23) | *106,878.88* | *21,518.35* |
| Net Cash Flow from Operating Activities | | (48,015.23) | *106,878.88* | *21,518.35* |
| ***Balance carried forward*** | | **(48,015.23)** | ***106,878.88*** | ***21,518.35*** |

**XELPMOC DESIGN AND TECH LIMITED**

**Annexure V(1) - Notes to the Ind AS Standalone Financials Statements as at and for the year ended 31 March 2018, 2017 and 2016**

## 1. Company Overview

XELPMOC DESIGN AND TECH LIMITED ("the Company") was incorporated 16th September 2015. The Company provides professional and technical consulting services The Company's services includes offering of technology services and solutions to public and private sector clients engaged in e-commerce, hospitality, healthcare, education, agriculture, and various other industries.

The range of services provided by the Company includes mobile and web application development, prototype development, thematic product development and data analytics assistance.

## 2. Significant accounting policies

### 2.1 Basis of preparation and presentation of Standalone Financials Statements

The Restated Standalone Statement of Assets and Liabilities of the Company as at March 31,2018, March 31, 2017 and March 31, 2016, the Restated Standalone Statement of Profit and Loss, the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash flows for the years ended March 31, 2018, March 31, 2017 and period ended March 31, 2016 and accompanying annexures to Standalone Financial information (collectively referred as "Restated Standalone Financial Information") have been prepared specifically for the purpose of inclusion in the Offer documents to be filed by the Company with the Securities and Exchange Board of India ("SEBI") and Stock Exchanges in connection with the proposed Initial Public Offering ("IPO") of its Equity Shares.

These Restated Standalone Financial Information has been prepared under Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016 issued by Ministry of Corporate Affairs read with Section 133 of the Companies Act, 2013 to the extent applicable.

The Restated Standalone Financials Information have been compiled by the Company from the Audited Standalone Financials Statements of the Company for the respective years ("Audited Standalone Financials Statements") prepared under the previous generally accepted accounting principles followed in India ("Previous GAAP or Indian GAAP").

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented reconciliations between Restated Standalone Financials Information with audited Standalone Financials Statements prepared under previous GAAP for the year ended March 31 2018, March 31 2017 & period ended March 31 2016.

These Restated Standalone Financials Information have been prepared in accordance with the requirements of:

(i) Section 26 to the Companies Act, 2013 read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014;

(ii) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 2016 (together referred to as the"SEBI regulations"

(iii) Guidance Note on Reports in Company Prospectus.

a. The Standalone Financials Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

| Items | Measurement Basis |
|---|---|
| Certain financial assets and liabilities (including derivative instruments) | Fair Value |
| Net defined benefit asset/liability | Fair value of the plan assets less present value of defined benefit obligation |

The Standalone Financial Statements are presented in Indian Rupee (INR), which is also the functional currency of the Company. All amounts have been rounded-off to the nearest thousands up to two decimals, unless otherwise indicated.

The Restated Ind AS Standalone Financial information were authorized for issue in accordance with a resolution of the directors on July 28, 2018.

**b. Use of estimates and judgments**

In preparing these Standalone Financials Statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

***Assumptions, judgements and estimation uncertainties***

Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2018 are made in in the following notes:

- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Estimation of useful life of property, plant and equipment
- Estimation of current tax expense and payable;
- Impairment of Financial Assets;
- Lease classification; and,
- Lease: whether an arrangement contains a lease

**c. Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The company regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level I: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of and asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in – Fair Value Measurements (Note: 30 Financial Instruments - Fair values and risk management)

**d. Current versus non-current classification :**

The Company presents 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 realized or intended to be sold or consumed in normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realized within twelve months after the reporting period, or
• 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:
• It is expected to be settled in normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period, or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company 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 Company has identified twelve months as its operating cycle.

2.2 **Property, plant and equipment**

***i. Recognition and measurement***

Items of property, plant and equipment are capitalized at cost (which includes capitalized borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, non-recoverable duties and taxes, freight, installation charges and any directly attributable cost of bringing the items to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit and loss.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

***ii. Depreciation***

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method. Depreciation for assets purchased / sold during the period is proportionately charged.

Depreciation on tangible fixed assets has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of items property, plant and equipment for the current and comparative periods are as follows;

| **Asset** | **Useful Life** |
|---|---|
| Office equipment | 5-7 years |
| Computer | 3 – 4 years |

***iii. Disposal***

Gains and losses on disposal are determined by comparing net sale proceeds with carrying amount. These are included in statement of profit and loss.

2.3 **Intangible assets**

***i. Recognition and measurement***

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any non-recoverable duties and taxes and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

***ii. Amortization***

The cost of the computer software capitalized as intangible asset is amortized over the estimated useful life.

The estimated useful lives are as follows:

| **Asset** | **Useful Life** |
|---|---|
| Computer Software | 4-6 Years |

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

2.4 **Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

2.5 **Non-Current assets (or disposal groups) held for sale and discontinued operations:**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value
less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss
previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as
held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

2.6 **Impairment**

***i. Financial assets***

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through the statement of profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit or loss.

Time barred dues from the government / government departments / government companies are generally not considered as increase in credit risk of such financial asset.

***ii. Non- financial assets***

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the statement of profit and loss.

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date 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 that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made 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.

3 **Leases**

***i. Determining whether an arrangement contains a lease***

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the incremental borrowing rate.

***ii. Assets held under lease***

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Company's Balance Sheet.

***iii. Lease payments***

Payments made under operating leases are generally recognized in the statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The company is generally required to pay refundable security deposits for entering into various lease agreements with lessors. Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments.

Subsequent to initial recognition, the security deposit is measured at amortized cost using the effective interest method with the carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognized as interest income. The lease prepayment is amortized on a straight line basis over the lease term as lease rental expense.

4 **Financial instruments**

***i. Recognition and initial measurement***

All financial assets are recognized on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the time frame established by the market concerned. Financial assets or financial liabilities are initially measured at fair value, plus transaction costs, except for those financial assets and liabilities which are classified as at fair value through profit or loss (FVTPL) at inception.

***ii. Classification of financial assets***

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes.

***iii. Measurement***

At initial recognition, the company 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 that are directly attributable to the acquisition of

the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**a. Debt Instruments**

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The company classifies its
debt instruments as:

**Amortized cost:**
Debt Instruments that are held for collection of contractual cash flows where those cash Flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or
impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Debt instrument at FVTOCI:**

A 'debt instrument' 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss (P&L). Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL:**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**b. Equity Instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value. All changes in fair value including dividend are recognized in the statement of profit and loss.

**c. Investment in subsidiaries, joint venture and associates**

Investment in subsidiaries, joint venture and associates is carried at cost in the financial statements.

**d. Trade receivables:**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expect to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business if longer), they are classified as current assets otherwise as non-current assets.
Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 18 (or when the entity applies the practical expedient) or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognized on initial recognition.

**e. Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company. Trade and other payables are presented as current liabilities if payment is due within 12 months after the reporting period otherwise as non-current. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**iv.** ***Derecognition***

***Financial assets***

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

***Financial liabilities***

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the statement of profit or loss.

**v.** ***Offsetting***

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**vi.** ***Reclassification***

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL.

5 **Revenue**

**i) Sale of Services**

Revenue from services is recognized over the period of the contract. Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from services comprises income from time & material and fixed price contracts. Revenue with respect to time & material contracts is recognized when the related services are performed. Revenue from fixed price contracts is recognized over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion.

Losses on such contracts are recognized when probable. Revenue in excess of billings is recognized as unbilled revenue in the balance sheet; to the extent billings are in excess of revenue recognized, the excess is reported as unearned and deferred revenue in the balance sheet.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to the management.

**ii) Other Income**

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

**6. Foreign currencies**

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognized as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. 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.

**7. Income tax**

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or other comprehensive income.

***i. Current tax***

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

***ii. Deferred tax***

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets unrecognized or recognized are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to the items recognized in other comprehensive income or direct equity. In this case, the tax is also recognized in other comprehensive income or direct equity, respectively.

**Minimum Alternate Tax (MAT)**:

Minimum Alternate Tax (MAT) credit is recognized as deferred asset only when it is probable that taxable profit will be available against which the credit can be utilized. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss account. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Company will pay normal income tax during the specified period.

**8. Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the statement of profit and loss in the period in which they are incurred.

9. **Provision, contingent liabilities and contingent assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

***Onerous Contracts***

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

***Contingencies***

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

**10. Employee benefits**

***i. Short-term employee benefits***

All employee benefits payable wholly within twelve months of rendering the service are classified as Short Term Employee benefits. Benefits such as salaries are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

***ii. Post- employee benefits***

***Defined Contribution Plans:***

A defined contribution plan is post-employee benefit plan under which an entity pays a fixed contribution to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expenses in the statement of profit and loss in the periods during which the related services are rendered by employees.

***Defined Benefit Plans:***

***Gratuity***

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset, the same is recognized to the extent of the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

***iii. Other long-term employee benefits***

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

**11. Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, demand deposits held with financial institution, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to know cash and which are subject to an insignificant risk of changes in value.

**12. Earnings per share**

Basic earnings per share ('BEPS') is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding for the period.

Diluted earnings per share ('DEPS') is computed by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits

**13. Cash flow statements**

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

**14. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

The company's management examines the company's performance as a whole i.e. providing of technological solution services and accordingly the company has only one reportable segment.

The company's operation and assets are concentrated in India only and hence there are no reportable geographical segments

**15. Recent accounting pronouncements issued but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

**Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealized Losses**

The amendments clarify that an entity needs to consider whether the tax laws restrict the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery for some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognized in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose the fact.

These amendments are effective for annual periods beginning on or after April 1, 2018. These amendments are not expected to have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

**Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration**

The Appendix clarifies that, 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 an entity initially recognizes the nonmonetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognized on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or
(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the interpretation, the Company does not expect any effect on its financial statements.

**Ind AS 115 Revenue from Contracts with Customers:**

Ind AS 115, Revenue from Contracts with Customers was initially notified under the Companies (Indian Accounting Standards) Rules, 2015.

The standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions - and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application - and make no adjustments to its comparative information. The chosen transition option can have a significant effect on revenue trends in the Standalone Financials Statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs.

The standard is applicable from the financial year commencing on or after 1 April 2018. The Company is currently evaluating the requirements of Ind AS 115, and has not yet determined the impact on the standalone financial statements.

**Ind AS 116 Leases:**

On 18 July 2017, the Accounting Standard Board (ASB) of the Institute of Chartered Accountants of India (ICAI) issued an exposure draft (ED) on Ind AS 116 'Leases'. Ind AS 116 is expected to replace Ind AS 17 from its proposed effective date, being annual period beginning on or after 1 April 2019.

The ED sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective of the ED is to ensure that lessees and lessors provide relevant information in a manner that faithfully

represents those transactions. This information gives a basis for users of Standalone Financials Statements to assess the effect that leases will have on the financial position, financial performance and cash flows of the entity.

The Company is currently evaluating the requirements of Ind AS 116, and has not yet determined the impact on the standalone financial statements.

**XELPMOC DESIGN AND TECH LIMITED**
**U72200KA2015PLC082873**

**Annexure V (2) : Notes forming part of the Restated Standalone Financial Information**

**NOTE 1**

**Restated Standalone Summary Statement of Property, Plant and Equipmen**

***Rupees in '000***

| ASSET | GROSS CARRYING VALUE | | | | ACCUMULATED DEPRECIATION | | | | NET CARRYING VALUE | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1-Apr-17 | Additions | Deductions/adjustments during the year | As at 31-Mar-18 | As at 1-Apr-17 | Depreciation for the year | Deductions/adjustments during the year | As at 31-Mar-18 | As at 31-Mar-18 | *As at 31-Mar-17* |
| Office Equipment | 475.13 | 33.81 | - | 508.94 | 163.82 | 140.81 | - | 304.63 | 204.31 | *311.31* |
| Computers | 1,616.17 | 2,903.02 | - | 4,519.19 | 1,045.07 | 588.88 | - | 1,633.95 | 2,885.24 | *571.10* |
| TOTAL | 2,091.30 | 2,936.83 | - | 5,028.13 | 1,208.89 | 729.69 | - | 1,938.58 | 3,089.55 | 882.41 |
| | | | | | | *730* | | | | |
| | | | | | | - | | | | |

***Rupees in '000***

| ASSET | GROSS CARRYING VALUE | | | | ACCUMULATED DEPRECIATION | | | | NET CARRYING VALUE | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1-Apr-16 | Additions | Deductions/adjustments during the year | As at 31-Mar-17 | As at 1-Apr-16 | Depreciation for the year | Deductions/adjustments during the year | As at 31-Mar-17 | As at 31-Mar-17 | *As at 31-Mar-16* |
| Office Equipment | 47.02 | 428.10 | - | 475.13 | 5.76 | 158.06 | | 163.82 | 311.31 | *41.26* |
| Computers | 1,343.70 | 272.47 | - | 1,616.17 | 293.86 | 751.22 | | 1,045.07 | 571.10 | *1,049.84* |
| TOTAL | 1,390.72 | 700.58 | - | 2,091.30 | 299.62 | 909.28 | - | 1,208.89 | 882.41 | 1,091.10 |

***Rupees in '000***

| ASSET | GROSS CARRYING VALUE | | | | ACCUMULATED DEPRECIATION | | | | NET CARRYING VALUE | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1-Apr-15 | Additions | Deductions/adjustments during the year | As at 31-Mar-16 | As at 1-Apr-15 | Depreciation for the year | Deductions/adjustments during the year | As at 31-Mar-16 | As at 31-Mar-16 | *As at 31-Mar-15* |
| Office Equipment | | 47.02 | | 47.02 | | 5.76 | | 5.76 | 41.26 | |
| Computers | - | 1,343.70 | - | 1,343.70 | - | 293.86 | | 293.86 | 1,049.84 | - |
| TOTAL | - | 1,390.72 | - | - | - | 299.62 | - | 299.62 | 1,091.10 | - |

**Notes:**

1) The estimated useful lives of items property, plant and equipment for the current and comparative periods are as follows;

| **Assets** | **Useful Life** |
|---|---|
| Office Equipment | 5-7 years |
| Computers | 3-4 years |

2) The company has assessed that there are no indicators of impairment.

| | Year ended March 31, 2018 | | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|---|---|---|---|
| *Balance Brought Forward* | | (48,015.23) | *106,878.88* | *21,518.35* |
| **B. CASH FLOW FROM INVESTING ACTIVITIES:** | | | | |
| Payment for Purchase of Property, Plant and Equipment | (2,936.83) | | *(700.58)* | *(1,390.72)* |
| Intercorporate Loan | (692.12) | | *(2,000.00)* | *(2,000.00)* |
| Payment for Purchase / Reinvestment of Investments | (17,054.33) | | *(137,436.76)* | *(36,689.65)* |
| Application money paid towards securities | (1,066.67) | | | |
| Sale of Investments | 8.00 | | | |
| Net Cash Flow From Investing Activities | | (21,741.95) | *(140,137.34)* | *(40,080.36)* |
| **C. CASH FLOW FROM FINANCING ACTIVITIES:** | | | | |
| Proceeds from Issues of Shares | 94,630.56 | | *29,999.99* | *18,749.99* |
| Borrowings from directors | 10,503.62 | | *5,196.38* | *1,525.00* |
| Loan repaid | (15,700.00) | | *(1,525.00)* | - |
| Interest on direct taxes | (34.94) | | *(54.00)* | - |
| Net Cash Inflow/ (Outflow) From Financing Activities | | 89,399.24 | *33,617.37* | *20,274.99* |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:** | | 19,642.06 | *358.91* | *1,712.98* |
| **CASH AND CASH EQUIVALENTS:** | | | | |
| **AS AT THE BEGINNING** | | | | |
| Cash and Bank Balances (Refer Note 21) | | 2,070.89 | *1,712.98* | - |
| | | 2,070.89 | *1,712.98* | - |
| **AS AT THE ENDING** | | | | |
| Cash and Bank Balances | | 21,712.95 | *2,070.89* | *1,712.98* |
| | | 21,712.95 | *2,070.89* | *1,712.98* |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:** | | 19,642.06 | 358.91 | 1,712.98 |

Note:
1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in IND AS 7, 'Statement of Cash Flows.'
2 There were no material differences between the Statement of Cash Flows presented under Ind AS and Previous GAAP.

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

**For Xelpmoc Design and Tech Limited**

**CA. Huzeifa Unwala**
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary
Place: Mumbai
Date: August 24, 2018

**NOTE 2**

**Restated Standalone Summary Statement of Investments**

*Rupees in '000*

| | Face Value | Numbers | | | Amounts | | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
| ***Unquoted:*** | | | | | | | |
| ***Carried at cost*** | | | | | | | |
| **(a) Investments in Equity Instruments of Joint Ventures** | | | | | | | |
| **Fortigo Network Xelpmoc Private Limited** | | | | | | | |
| 49,000 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Re. 1 each, fully paid up | 1.00 | 49,000.00 | - | - | 49.00 | - | - |
| **(b) Investments in Equity Instruments of Associate Company** | | | | | | | |
| **IFTOSI Jewels Private Limited** | | | | | | | |
| Nil (as at 31 March 17: 25,000, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | 10.00 | - | 2,500.00 | - | - | 25.00 | - |
| **Madworks Ventures Private Limited** | | | | | | | |
| 15,204 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | 10.00 | 15,204.00 | | | 243.26 | - | - |
| **(c) Investments in Compulsorily Convertible Preference Instruments of Associate Company** | | | | | | | |
| 57,018 (as at 31 March 17: Nil, as at 31 March 16: Nil) Preference Shares of Rs. 10 each, fully paid up | 10.00 | 57,018.00 | | | 912.29 | - | - |
| | | | | **TOTAL** | **1,204.55** | **25.00** | - |

| | | | |
|---|---|---|---|
| Aggregate Amount of Unquoted Investments | 1,204.55 | 25.00 | - |
| Aggregate Amount of Quoted Investments | - | - | - |
| Aggregate Market Value of Quoted Investments | - | - | - |
| Aggregate Provision for Impairment in the Value of Investments | - | - | - |

**Notes:**

**1)** The company acquired 49,000 ordinary shares of Re. 1 each of Fortigo Netowork Xelpmoc Private limited on 17 March 2017. The shares were acquired at par value. Post this acquisition the company holds 49% of the equity share capital of the investee company.

**2)** The company acquired 15,204 ordinary shares of Re. 10 each and 57,018 convertible preference shares of Rs. 10 each of Madworks Ventures Private limited on 14 February 2018. The shares were acquired at par value. The preference shares have the same voting rights on as if converted basis as per the shareholder agreement and hence the same are treated at par with equity by the company. Post this acquisition the company holds 21.74 % of the share capital of the investee company on a fully diluted basis.

**3)** The company disposed of 800 ordinary shares of IFTOSI Jewels Private Limited on 31 March 2018. The shares were disposed at cost price resulting in no profit or gain to the company. Subsequent to this disposal, the holding of the company in the investee is reduced to 17% as against 25% as on 31 March 2017.

**NOTE 3**

**Restated Standalone Summary Statement of Other Investments**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| ***Unquoted:*** | | | |
| ***At Fair Value through Other Comprehensive Income*** | | | |
| **Investment in Equity Instruments** | | | |
| **Fortigo Network Logistic Private Limited**** | | | |
| 122,232(as at 31 March 17: 11,112, as at 31 March 16: 11,112) Equity Shares of Re. 1 each, fully paid up | 153,122.47 | 156,727.31 | 34,655.77 |
| **Gyankosh Solutions Private Limited** | 2,923.34 | 2,707.59 | 2,033.98 |
| 32,939 (as at 31 March 17: 32,939, as at 31 March 16: 32,939) Equity Shares of Re. 1 each, fully paid up | | | |
| **IFTOSI Jewels Private Limited** | 15.20 | - | - |
| 1,700 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **Ideal Insurance Brokers Private Limited** | 6,284.90 | - | - |
| 5,000 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **Inqube Innoventures Private Limited** | 6,627.29 | - | - |
| 655 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **Intellibuzz TEM Private Limited** | 2,499.98 | - | - |
| 12,300 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **PHI Robotics Research Private Limited** | 2,488.59 | - | - |
| 167 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **Investment in Preference Shares** | | | |
| **Mihup Communication Private Limited** | 14,639.84 | 14,666.32 | - |
| 31,512 (as at 31 March 17: 31,512, as at 31 March 16: Nil) Series Seed Preference Shares of Re. 1 each, fully paid up | | | |
| 2,941 (as at 31 March 17: Nil, as at 31 March 16: Nil) Series A1 Compulsorily Convertible Preference Shares of Re. 10 each, fully paid up | 1,366.33 | | |
| **TOTAL** | **189,967.93** | **174,101.22** | **36,689.76** |

| | | | |
|---|---|---|---|
| Aggregate Amount of Unquoted Investments | 189,967.93 | 174,101.22 | 36,689.76 |
| Aggregate Amount of Quoted Investments | - | - | - |
| Aggregate Market Value of Quoted Investments | - | - | - |
| Aggregate Provision for Impairment in the Value of Investments | 1.80 | - | - |

**Notes:**

1) Investments in equity instruments of private limited entities has been designated as fair value through other comprehensive income. The valuation of these shares as on the valuation date has been arrived at using the discounted cash flow method.

***** Includes 111,120 bonus shares alloted during the year without any consideration***

**NOTE 3**

**Restated Standalone Summary Statement of Other Investments**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| ***Unquoted:*** | | | |
| ***At Fair Value through Other Comprehensive Income*** | | | |
| **Investment in Equity Instruments** | | | |
| **Fortigo Network Logistic Private Limited**** | | | |
| 122,232(as at 31 March 17: 11,112, as at 31 March 16: 11,112) Equity Shares of Re. 1 each, fully paid up | 153,122.47 | 156,727.31 | 34,655.77 |
| **Gyankosh Solutions Private Limited** | 2,923.34 | 2,707.59 | 2,033.98 |
| 32,939 (as at 31 March 17: 32,939, as at 31 March 16: 32,939) Equity Shares of Re. 1 each, fully paid up | | | |
| **IFTOSI Jewels Private Limited** | 15.20 | - | - |
| 1,700 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **Ideal Insurance Brokers Private Limited** | 6,284.90 | - | - |
| 5,000 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **Inqube Innoventures Private Limited** | 6,627.29 | - | - |
| 655 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **Intellibuzz TEM Private Limited** | 2,499.98 | - | - |
| 12,300 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **PHI Robotics Research Private Limited** | 2,488.59 | - | - |
| 167 (as at 31 March 17: Nil, as at 31 March 16: Nil) Equity Shares of Rs. 10 each, fully paid up | | | |
| **Investment in Preference Shares** | | | |
| **Mihup Communication Private Limited** | 14,639.84 | 14,666.32 | - |
| 31,512 (as at 31 March 17: 31,512, as at 31 March 16: Nil) Series Seed Preference Shares of Re. 1 each, fully paid up | | | |
| 2,941 (as at 31 March 17: Nil, as at 31 March 16: Nil) Series A1 Compulsorily Convertible Preference Shares of Re. 10 each, fully paid up | 1,366.33 | | |
| **TOTAL** | **189,967.93** | **174,101.22** | **36,689.76** |

| | | | |
|---|---|---|---|
| Aggregate Amount of Unquoted Investments | 189,967.93 | 174,101.22 | 36,689.76 |
| Aggregate Amount of Quoted Investments | - | - | - |
| Aggregate Market Value of Quoted Investments | - | - | - |
| Aggregate Provision for Impairment in the Value of Investments | 1.80 | - | - |

**Notes:**

1) Investments in equity instruments of private limited entities has been designated as fair value through other comprehensive income. The valuation of these shares as on the valuation date has been arrived at using the discounted cash flow method.

***** Includes 111,120 bonus shares alloted during the year without any consideration***

**NOTE 4**
**Restated Standalone Summary Statement of Non-Current Financial Assets- Loa**

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| *Unsecured, considered good | 4,692.12 | 4,000.00 | 2,000.00 |
| **TOTAL** | **4,692.12** | **4,000.00** | **2,000.00** |

*Represents loan given to suppliers for the purpose of meeting the working capital requirement
at simple interest of 9% payable annually.

**NOTE 5**
**Restated Standalone Summary Statement of Non-Current Financial Asset**

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| | | | |
| * Application money paid towards securities | 1,066.67 | - | - |
| **TOTAL** | **1,066.67** | **-** | **-** |

**Application money paid towards securities:**
On September 11, 2017, the company entered into a agreement to acquire equity and preference shares of SNAPHUNT PTE LTD, Singapore and paid an amount of Rs 10,666,70 . Subsequently , the company was alloted 14,506 optionally convertible preference shares and 6,447 ordinary shares on 24 April 2018. Post this allotment the company holds 26% of the share capital of the investee company on a fully diluted basis.

**NOTE 6**

**Restated Standalone Summary Statement of Non-Current Tax Assets (Net**

***Rupees in '000***

| | As at March 31, 2018 | As at March 31, 2017 | |
|---|---|---|---|
| * Application money paid towards securities | - | | |
| Advance Tax [Net of Provision for taxation - ` Nil] | 5,528.69 | 347.81 | |
| **TOTAL** | **5,528.69** | **347.81** | **-** |

(Refer Note 14 for tax reconciliations)

**NOTE 7**

**Restated Standalone Summary Statement of Trade Receivable**

***Rupees in '000***

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| *Unsecured* | | | |
| Considered Good * | 20,817.95 | 4,688.44 | 208.33 |
| Considered Doubtful | 3,783.05 | - | - |
| Less: Allowance for credit losses | (3,783.05) | | |
| | 20,817.95 | 4,688.44 | 208.33 |
| **TOTAL** | **20,817.95** | **4,688.44** | **208.33** |
| * Includes dues from related parties (Refer Related Party Transaction Note. 26) | | - | - |

**NOTE 8**

**Restated Standalone Summary Statement of Cash and Cash Equivalents**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Balances with Banks | | | |
| - In Current Accounts | 21,699.50 | 2,063.06 | 1,688.30 |
| Cash on Hand | 13.45 | 7.83 | 24.68 |
| **TOTAL** | **21,712.95** | **2,070.89** | **1,712.98** |
| **Cash and cash equivalent as per Statement of Cash Flows** | **21,712.95** | **2,070.89** | |

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods

**NOTE 9**

**Restated Standalone Summary Statement of Other Current Financial Assets**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Security Deposits | 1,380.00 | 26.00 | 16.00 |
| **Unsecured, considered good** | | | |
| Interest Accrued | 698.22 | 315.12 | - |
| Advance to staff | 216.67 | - | - |
| *Other Advances | - | | |
| **TOTAL** | **2,294.89** | **341.12** | **16.00** |
| * Includes dues from related parties (Refer Related Party Transaction Note. 26) | - | - | 13.00 |

**NOTE 10**

**Restated Standalone Summary Statement of Other Current Assets**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Prepaid expenses | - | 191.34 | - |
| Balances with Government authorities | - | 438.52 | 132.37 |
| Accrued Interest | - | - | - |
| **Unsecured, considered good** | | | |
| Advance to vendors | 262.42 | 146.00 | - |
| **TOTAL** | **262.42** | **775.86** | **132.37** |

**NOTE 11**

**Restated Standalone Summary Statement of Equity Share Capital**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| **Authorised** | | | |
| 11,000,000 Equity Shares *(31-Mar-17: 5,000,000 ; 01-Apr-16: 5,000,000)* of ` 10 each | 1,100,000.00 | 50,000.00 | 50,000.00 |
| **Issued** | | | |
| 6,517,132 Equity Shares *(31-Mar-17: 4,874,998 ; 01-Apr-16: 1,874,999)* of ` 10 each | 65,171.32 | 48,749.98 | 18,749.99 |
| **Subscribed and Fully Paid up** | | | |
| 6,517,132 Equity Shares *(31-Mar-17: 4,874,998 ; 01-Apr-16: 1,874,999)* of ` 10 each | 65,171.32 | 48,749.98 | 18,749.99 |
| **TOTAL** | **65,171.32** | **48,749.98** | **18,749.99** |

NOTES:

a) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting perioc

| | As at March 31, 2018 | | As at March 31, 2017 | | As at March 31, 2016 | |
|---|---|---|---|---|---|---|
| | No. of Shares | Rupees in '000 | No. of Shares | Rupees in '000 | No. of Shares | Rupees in '000 |
| Shares outstanding at the beginning of the year | 4,874,998.00 | 48,749.98 | 1,874,999.00 | 18,749.99 | - | - |
| Add: Shares issued during the year pursuant to rights issue and preferential allotment | 1,642,134.00 | 16,421.34 | 2,999,999.00 | 29,999.99 | 1,874,999.00 | 18,749.99 |
| **Shares outstanding at the end of the year** | **6,517,132.00** | **65,171.32** | **4,874,998.00** | **48,749.98** | **1,874,999.00** | **18,749.99** |

b) **Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rupees 10/- per share. Each shareholder is entitled to vote in proportion to his share of the paid up equity capita of the Company except upon voting by "Show of hands" where one share shareholder is entitled to one vote. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to their shareholdings. The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the last three financial years.

c) Details of shareholders holding more than 5% shares in the Company

| Name of the Shareholder | As at March 31, 2018 | | As at March 31, 2017 | | As at March 31, 2016 | |
|---|---|---|---|---|---|---|
| | No. of Shares | % held | No. of Shares | % held | No. of Shares | % held |
| Rajesh Dembla | - | - | 200,000.00 | 4.10% | 438,333.00 | 23.38% |
| Sandipan Samiran Chattopadhyay | 2,924,088.00 | 44.87% | 3,090,207.00 | 63.39% | 998,333.00 | 53.24% |
| Srinivas Koora | 1,636,515.00 | 25.11% | 1,584,791.00 | 32.51% | 438,333.00 | 23.38% |
| Jaison Jose | 542,768.00 | 8.33% | - | - | - | 0.00% |
| | **5,103,371.00** | | **4,874,998.00** | | **1,874,999.00** | |

d) **Capital Management**

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value. The Company makes adjustments to its capital structure based on economic conditions or its business requirements. To maintain / adjust the capital structure the Company may make adjustments to dividend paid to its shareholders or issue new shares.

The Company monitors capital using the metric of Net Debt to Equity. Net Debt is defined as borrowings less cash and cash equivalents, fixed deposits and readily redeemable investments. The company has no borrowings as on the reporting date.

**NOTE 12**

*Rupees in '000*

**Restated Standalone Summary Statement of Other Equity**

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Securities Premium Reserve | 78,209.22 | - | - |
| Retained Earnings | (80,303.09) | (45,264.76) | (16,730.44) |
| Other Comprehensive Income | 127,901.58 | 128,670.74 | 27,117.82 |
| | **125,807.71** | **83,405.98** | **10,387.38** |

**OTHER RESERVES MOVEMENT**

| | As at March 31, 2018 | As at March 31, 2017 |
|---|---|---|
| **Other Comprehensive Income** | | |
| Net (loss)/gain on FVTOCI equity securities | (268.14) | 101,661.16 |
| Remeasurements of the net defined benefit Plans | (501.02) | (108.25) |
| **TOTAL** | **(769.15)** | **101,552.92** |

**NOTE 13**

**Restated Standalone Summary Statement of Non-Current Provisions**

| | | | |
|---|---|---|---|
| | **190,979.03** | **132,155.96** | **29,137.37** |
| **Provision for Employee Benefits** | | | |
| Gratuity (Net) | 1,388.75 | 318.96 | 76.61 |
| Leave Encashment (Net) | 225.54 | - | - |
| **TOTAL** | **1,614.29** | **318.96** | **76.61** |

**NOTE 14**

**Restated Standalone Summary Statement of Deferred Tax Liabilities (Net)**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| **Deferred Tax Liability** | | | |
| a) Property, Plant & Equipment and Intangibles | (58.92) | (25.92) | (27.92) |
| b) Impairement of FinAssets (Invst) | (45,152.67) | (45,246.67) | (9,527.88) |
| c) Others | - | (81.93) | - |
| | (45,211.59) | (45,354.52) | (9,555.81) |
| **Deferred Tax Assets** | | | |
| a) Property, Plant and Equipment | - | - | - |
| b) Defined benefit obligations & Other long term employee benefit | 434.78 | 83.01 | 19.97 |
| c) Others | - | - | - |
| | 434.78 | 83.01 | 19.97 |
| **TOTAL** | **(44,776.81)** | **(45,271.52)** | **(9,535.83)** |

**Note 14A**

**The income tax expense consists of the following:** *Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|
| **Current Tax:** | | | |
| Current tax on profits for the year | - | - | - |
| Adjustments for current tax of prior periods | - | - | - |
| Total current tax expense | - | - | - |
| *Deferred Tax* | | | |
| Decrease/ (increase) in deferred tax assets | (224.20) | - | - |
| (Decrease)/ increase in deferred tax liabilities | | 54.74 | 7.95 |
| Deferred tax (net) | (224.20) | 54.74 | 7.95 |
| Total income tax expense | **(224.20)** | **54.74** | **7.95** |

**Current tax and Deferred Tax related to items recognised in Other Comprehensive Income during the year:** *Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|
| Net loss/(gain) on FVTOCI equity securities | (94.21) | 35,718.79 | 9,527.88 |
| Net Loss / (gain) on remeasurements of defined benefit plans | (176.03) | (38.03) | |
| **Total** | **(270.24)** | **35,680.75** | **9,527.88** |

**Reconciliation of tax expense and the accounting profi**

The reconciliation between estimated income tax expense at statutory income tax rate into income tax expense reported in statement of profit & Loss is given below:

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|
| Profit before income taxes | (35,262.54) | (28,479.58) | (16,722.49) |
| Indian statutory income tax rate | 26.00% | 25.75% | 30.90% |
| Expected income tax expense | (9,168.20) | (7,333.26) | (5,166.95) |
| **Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:** | | | |
| Tax impact of income not subject to tax | | | |
| a) Temporary Differences | 224.20 | (54.74) | (7.95) |
| b) Permanent Differences | 9.00 | 166.00 | |
| Tax effects of amounts which are not deductible for taxable income | | | |
| Impact due to change in the rate of corporate taxation | | (70.00) | 818.90 |
| Others | - | - | |
| Deferred tax on carried forward losses** | 8,935.00 | 7,292.00 | 4,356.00 |
| **Total income tax expense** | **9,168.20** | **7,333.26** | **5,166.95** |

**** No deferred tax assets has been created on unused tax losses in the absence probability of future taxabale profits that will be availabl against which the unused tax losses can be utilised.**

**Note 14A (Contd.)**

**Deferred Tax (Liabilities):** *Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Property, Plant and Equipment | (33.00) | - | (27.92) |
| Impairement of FinAssets (Invst) | - | (35,718.79) | (9,527.88) |
| Others | - | (81.93) | |
| **Total deferred tax liabilities** | **(33.00)** | **(35,800.72)** | **(9,555.81)** |

**Deferred Tax Assets:** *Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Property, Plant and Equipment | - | 2.24 | |
| Impairement of FinAssets (Invst) | 94.00 | - | - |
| Defined benefit obligations & Other long term employee benefits | 351.74 | 63.00 | 19.97 |
| Others | 81.93 | - | - |
| **Total deferred tax assets** | **527.67** | **65.24** | **19.97** |
| | | | |
| **Net Deferred tax (Liabilities) / Assets** | **494.47** | **(35,735.45)** | **(9,535.83)** |

**Movement in Deferred tax Liabilities / Asset** *Rupees in '000*

| | Property, plant and equipment | Intangible assets | Impairement of FinAssets (Invst) | Defined benefit obligations & Other long term employee benefits | Provisions | Other Deferred Tax Asset | Deferred Tax Liabilities / Asset (net) |
|---|---|---|---|---|---|---|---|
| | | | | | | | - |
| (Charged)/Credited : | | | | | | | |
| - to profit or loss | (27.92) | | (9,527.88) | 19.97 | | | (9,535.83) |
| - to other comprehensive income | | | | - | | | - |
| **As at 31st March 2016** | **(27.92)** | **-** | **(9,527.88)** | **19.97** | **-** | **-** | **(9,535.83)** |
| (Charged)/Credited : | | | | | | | |
| - to profit or loss | 2.24 | | (35,718.79) | 25.00 | | (81.93) | (35,773.48) |
| - to other comprehensive income | | | | 38.03 | | | 38.03 |
| **As at 31st March 2017** | **(25.68)** | **-** | **(45,246.67)** | **83.01** | **-** | **(81.93)** | **(45,271.52)** |
| (Charged)/Credited : | | | | | | | |
| - to profit or loss | (33.00) | | | 175.74 | | 81.93 | 224.67 |
| - to other comprehensive income | | | 94.00 | 176.03 | | | 270.03 |
| **As at 31st March 2018** | **(58.68)** | **-** | **(45,152.67)** | **434.78** | **-** | **(0.00)** | **(44,776.82)** |

**As per Groupings**

The company 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.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**NOTE 15**

**Restated Standalone Summary Statement of Trade Payables**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Dues to Micro, Small and Medium Enterprises | - | - | - |
| Dues to creditors other than micro, Small and Medium Enterprises | 4,347.20 | 752.27 | 624.46 |
| **TOTAL** | **4,347.20** | **752.27** | **624.46** |

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

| **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006** | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| (i) Principal amount and interest dur thereon remaining unpaid to MSME suppliers as at the end of the accounting year: | | | |
| -Principal | Nil | Nil | Nil |
| -Interest | Nil | Nil | Nil |
| (ii) The amount of interest paid along with the amounts of the payment made to the MSME supplier beyond the appointed day | Nil | Nil | Nil |
| (iii) The amount of interest due and payable for the yea | Nil | Nil | Nil |
| (iv) The amount of interest accrued and remaining unpaid at the end of the accounting year | Nil | Nil | Nil |
| (v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | Nil | Nil | Nil |

**NOTE 16**

**Restated Standalone Summary Statement of Other Financial Liabilities (Current)**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Creditors for expenses | 1,186.16 | 467.03 | 56.47 |
| Payable to employees | 3,756.87 | 2,095.63 | 26.81 |
| Other financial liabilities * | 1,313.44 | 5,872.26 | 1,620.66 |
| **TOTAL** | **6,256.47** | **8,434.92** | **1,703.94** |
| * Includes dues to related parties (Refer Related Party Transaction Note. 26) | 1,313.44 | 5,872.26 | 1,635.00 |

**NOTE 17**

**Restated Standalone Summary Statement of Other Current Liabilities**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Statutory Dues | 2,606.23 | 299.19 | 772.11 |
| **TOTAL** | **2,606.23** | **299.19** | **772.11** |

**NOTE 18**

**Restated Standalone Summary Statement of Current Provisions**

*Rupees in '000*

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| **Provision for Employee Benefits** | | | |
| Gratuity (Net) | 2.00 | - | 0.11 |
| Leave Encashment (Net) | 55.62 | - | - |
| **TOTAL** | **57.62** | **-** | **0.11** |

**NOTE 19**

**Restated Standalone Summary Statement of Revenue from Operations**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|
| Sale of Services* | 53,601.34 | 18,838.96 | 208.33 |
| **TOTAL** | **53,601.34** | **18,838.96** | **208.33** |
| * Includes earnings in foreign currency | 1,390.40 | 10,000.00 | - |

**NOTE 20**

**Restated Standalone Summary Statement of Other Income**

*Rupees in '000*

| | Nature (Recurring/Non-Recurring) | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|---|
| **Other Non-Operating Income** | | | | |
| Fair Value Gain on equity instruments measured at fair value through profit or loss | Recurring | - | - | - |
| Net Gain on Foreign Currency Transactions and Translations | Recurring | 226.94 | - | - |
| Interest Income | Recurring | 383.10 | 396.51 | - |
| **TOTAL** | | **610.04** | **396.51** | **-** |

**NOTE 21**

**Restated Standalone Summary Statement of Employee Benefits Expense**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|
| Salaries and Wages* | 35,011.80 | 30,864.10 | 13,366.90 |
| Contribution to Provident and Other Funds* | 699.09 | 61.97 | - |
| Staff Welfare Expenses* | 802.00 | 746.96 | 162.30 |
| **TOTAL** | **36,512.90** | **31,673.03** | **13,529.20** |
| * Includes payment to related party (Refer Related Party Transaction Note. 26) | 1,500.00 | - | - |

**NOTE 22**

**Restated Standalone Summary Statement of Finance Costs**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|
| A) Interest Expense | | | |
| Interest on TDS | 34.94 | 54.31 | - |
| **TOTAL** | **34.94** | **54.31** | **-** |

**NOTE 23**

**Restated Standalone Summary Statement of Depreciation**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|
| Depreciation on property, plant and equipment | 729.69 | 909.28 | 299.62 |
| **TOTAL** | **729.69** | **909.28** | **299.62** |

**NOTE 24**

**Restated Standalone Summary Statement of Other Expenses**

*Rupees in '000*

| | Year ended March 31, 2018 | Year ended March 31, 2017 | Period ended March 31, 2016 |
|---|---|---|---|
| Power and Fuel | 419.79 | 313.08 | 98.55 |
| Rent | 3,701.63 | 1,700.24 | 597.33 |
| Rates and Taxes | 690.37 | 684.66 | 53.00 |
| Repairs and Maintenance | | | |
| - Builidings | 476.77 | 192.05 | 281.46 |
| - Others | 815.32 | 772.63 | 261.39 |
| Sales Promotion & Marketing Expense | 96.00 | 50.00 | - |
| Travelling & Conveyance | 5,381.53 | 1,956.90 | 193.53 |
| Communication Charges | 3,954.62 | 3,751.77 | 724.55 |
| Auditors' Remuneration | | | |
| - As Auditor | 160.00 | 50.00 | 35.00 |
| - For Taxation Matters | 30.00 | 30.00 | - |
| - For Out of Pocket Expenses | - | 15.00 | - |
| | 190.00 | 95.00 | 35.00 |
| Legal & Professional Charges | 240.00 | 51.65 | 70.00 |
| Net Loss on Foreign Currency Transactions and Translations | - | 114.30 | - |
| Courier Expenses | 42.73 | 25.57 | 5.03 |
| Office Expenses | 615.19 | 542.09 | 167.39 |
| Generator rent | 112.60 | 196.64 | - |
| Recruitment expense | 2.40 | 811.92 | - |
| Subscription fee | 300.00 | 200.00 | - |
| Project Expenses | - | 25.46 | 72.22 |
| Provision for Credit Losses | 3,783.05 | - | - |
| Consultancy Fees | 30,627.10 | 3,154.75 | 485.10 |
| Miscellaneous expenses | 747.31 | 439.73 | 57.49 |
| **TOTAL** | **52,196.40** | **15,078.44** | **3,102.01** |

**NOTE 25**

**Restated Standalone Summary Statement of Earnings per share**

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| **Net Profit After Tax** | **(35,038,336.32)** | **(28,534,316.90)** | **(16,730,441.68)** |
| Number of Shares outstanding at the beginning of the year | 4,874,998.00 | 1,874,999.00 | - |
| Add : Shares Issued during the year | 1,642,134.00 | 2,999,999.00 | 1,874,999.00 |
| Less : Shares bought back during the year | - | - | - |
| Number of Shares outstanding at the end of the year | 6,517,132.00 | 4,874,998.00 | 48,749.98 |
| **Weighted Average Number of Equity Shares** | | | |
| For calculating Basic EPS diluted EPS | 5,796,306.87 | 1,891,437.35 | 19,368.68 |
| For calculating restated Basic EPS and restated Diluted EPS (impact of bonus issue) | 9,417,031.87 | 5,512,162.35 | 3,621,807.19 |
| **Earnings Per Share Before and After Extraordinary Items** | | | |
| ***(Face Value ` 10)*** | | | |
| Restated Basic (`) | (3.72) | (5.18) | (4.62) |
| Restated Diluted (`) | (3.72) | (5.18) | (4.62) |

**NOTE 26 : RELATED PARTY DISCLOSURES**

**A) Related Parties and their Relationship**

**a) Joint ventures**

| Name of the Joint Venture | Country | % Holding as at March 31, 2018 | % Holding as at March 31, 2017 | % Holding as at March 31, 2016 |
|---|---|---|---|---|
| Fortigo Networks Xelpmoc Private Limited (w.e.f. 7 April 2017) | India | 49% | Nil | Nil |

**b). Associates**

| Name of the Associates | Country | % Holding as at March 31, 2018 | % Holding as at March 31, 2017 | % Holding as at March 31, 2016 |
|---|---|---|---|---|
| Madworks Ventures Private Limited (w.e.f from 14 February 2018) | India | 21.74% | Nil | Nil |
| IFTOSI Jewels Private Limited (up to 31 March 2017) | India | Nil | 25% | Nil |

**c) Companies under common Control with whom transactions have taken plac**

i) Jzeva Signature Jewelcrafts Private Limited

**d) Key Management Personnel (KMP) and Relatives**

| | | | |
|---|---|---|---|
| i) | Sandipan Samiran Chattopadhyay | Director | |
| ii) | Srinivas Koora | Director | |
| iii) | Jaison Jose | Director | w.e.f. 9 March 2017 |
| iv) | Vishal Chaddha | Director | w.e.f. 13 September 2017 |
| v) | Abhay Kadam | Company Secretary | w.e.f. 1 December 2017 |
| vi) | Rajesh Dembla | Director | up to 26th July 2017 |
| vii) | Mihika Rajesh Dembla | Relative of Director | up to 26th July 2017 |
| viii) | Mamta Rajesh Dembla | Relative of Director | up to 26th July 2017 |
| ix) | Raunak Rajesh Dembla | Relative of Director | up to 26th July 2017 |

**NOTE 26 : RELATED PARTY DISCLOSURES (Contd.)**

**B) The Related Party Transactions are as under :**

*Rupees in '000*

| Particulars of Transactions | Associate Company/Joint Venture | | | Companies Under Common Control | | | Key Management Personnel and Relatives | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
| | | | | | | | | | | | | |
| **Sale of Services** | | | | | | | | | | | | |
| Fortigo Network Xelpmoc Private Limited | 11,564.00 | | | | | | | | | **11,564.00** | | |
| Madworks Venture Private Limited | 472.00 | | | | | | | | | **472.00** | | |
| | | | | | | | | | | | | |
| **Remuneration paid to directors and KMP (including employer's contribution to PF)** | | | | | | | | | | | | |
| Srinivas Koora | | | | | | | 380.40 | | | **380.40** | | |
| Sandipan Samiran Chattopadhyay | | | | | | | 380.40 | | | **380.40** | | |
| Jaison Jose | | | | | | | 380.40 | | | **380.40** | | |
| Vishal Chaddha | | | | | | | 375.00 | | | **375.00** | | |
| Abhay Kadam | | | | | | | 80.00 | | | **80.00** | | |
| | | | | | | | | | | | | |
| **Loan taken from Directors** | | | | | | | | | | | | |
| Sandipan Samiran Chattopadhyay | | | | | | | 7,500.00 | | | **7,500.00** | | |
| Rajesh Dembla | | | | | | | 3.62 | 5,196.38 | | **3.62** | **5,196.38** | |
| Jaison Jose | | | | | | | 2,000.00 | | | **2,000.00** | | |
| Srinivas Koora | | | | | | | 1,000.00 | | 1,525.00 | **1,000.00** | | **1,525.00** |
| | | | | | | | | | | | | |
| **Loan repaid to Directors** | | | | | | | | | | | | |
| Sandipan Samiran Chattopadhyay | | | | | | | 7,500.00 | | | **7,500.00** | **-** | |
| Rajesh Dembla | | | | | | | 5,200.00 | | | **5,200.00** | | |
| Jaison Jose | | | | | | | 2,000.00 | | | **2,000.00** | **-** | |
| Srinivas Koora | | | | | | | 1,000.00 | 1,525.00 | | **1,000.00** | **1,525.00** | |
| | | | | | | | | | | | | |
| **Receipt towards share application money** | | | | | | | | | | | | |
| Sandipan Samiran Chattopadhyay | | | | | | | 1,034.48 | 18,535.11 | 9,983.00 | **1,034.48** | **18,535.11** | **9,983.00** |
| Srinivas Koora | | | | | | | 517.24 | 11,464.58 | 4,383.00 | **517.24** | **11,464.58** | **4,383.00** |
| Jaison Jose | | | | | | | 3,827.58 | | - | **3,827.58** | | **-** |
| Rajesh Dembla | | | | | | | | | 4,383.00 | | | **4,383.00** |
| | | | | | | | | | | | | |
| **Receipt towards security premium** | - | | | | | | | | | | | |
| Sandipan Samiran Chattopadhyay | | | | | | | 1,965.51 | | | **1,965.51** | | |
| Srinivas Koora | | | | | | | 982.76 | | | **982.76** | | |
| Jaison Jose | | | | | | | 7,272.40 | | | **7,272.40** | | |
| | | | | | | | | | | | | |
| **Receipt of services** | | | | | | | | | | | | |
| Mihika Rajesh Dembla | | | | | | | 1,872.00 | | | **1,872.00** | | |
| Mamta Rajesh Dembla | | | | | | | 1,872.00 | | | **1,872.00** | | |
| Raunak Rajesh Dembla | | | | | | | 1,872.00 | | | **1,872.00** | | |
| | | | | | | | | | | | | |
| **Expenses incurred by us on behalf of others** | | | | | | | | | | | | |
| Jzeva Signature Jewelcrafts Private Limited | | | | 24.29 | 89.86 | 18.81 | | | | **24.29** | **89.86** | **18.81** |
| | | | | | | | | | | | | |
| **Expenses incurred by directors** | | | | | | | | | | | | |
| Sandipan Samiran Chattopadhyay | | | | | | | 4,515.33 | 2,576.64 | 14.31 | **4,515.33** | **2,576.64** | **14.31** |
| Srinivas Koora | | | | | | | 8,015.13 | 1,825.27 | 107.95 | **8,015.13** | **1,825.27** | **107.95** |
| Rajesh dembla | | | | | | | | | 1.11 | | | **1.11** |
| Jaison Jose | | | | | | | 9.55 | | | **9.55** | | |
| | | | | | | | | | | | | |
| **Reimbursement of expenses to directors** | | | | | | | | | | | | |
| Sandipan Samiran Chattopadhyay | | | | | | | 4,363.33 | 2,319.00 | 14.31 | **4,363.33** | **2,319.00** | **14.31** |
| Srinivas Koora | | | | | | | 8,023.37 | 1,515.10 | | **8,023.37** | **1,515.10** | |

**NOTE 26 : RELATED PARTY DISCLOSURES (Contd.)**

**B) The Related Party Transactions are as under :**

*Rupees in '000*

| | Associate Company/Joint Ventures | | | Companies Under Common Control | | | Key Management Personnel and Relatives | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
| **Outstanding Balances** | | | | | | | | | | | | |
| **Receivables** | | | | | | | | | | | | |
| Fortigo Network Xelpmoc Private Limited | 2,397.60 | | | | | | | | | **2,397.60** | **-** | **-** |
| Madworks Venture Private Limited | 432.00 | | | | | | | | | **432.00** | **-** | **-** |
| Jzeva Signature Jewelcrafts Private Ltd | | | | 24.29 | 89.86 | 18.81 | | | | **24.29** | **89.86** | **18.81** |
| | | | | | | | | | | | | |
| **Payables** | | | | | | | | | | | | |
| Rajesh Dembla | | | | | | | - | 5,196.38 | | | **5,196.38** | |
| Srinivas Koora | | | | | | | 533.38 | 418.17 | 1.11 | **533.38** | **418.17** | **1.11** |
| Sandipan Samiran Chattopadhyay | | | | | | | 533.16 | 257.71 | 1,634.06 | **533.16** | **257.71** | **1,634.06** |
| Jaison Jose | | | | | | | 123.45 | - | | **123.45** | **-** | **-** |
| Vishal Chaddha | - | - | - | - | - | - | 123.45 | - | | **123.45** | **-** | **-** |

**NOTE 27 : LEASES**

The Company's significant leasing agreements are in respect of operating lease for office premises and the aggregate lease rentals payable are charged as rent. The Total lease payments accounted for the year ended March 31, 2018 is 3,183 *(previous year 2017: 1,260, previous year 2016:` 575 )* .

The future minimum lease payments outstanding under non-cancellable operating leases are as follows:

***Rupees in '000***

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| Not later than one year | 4,480.14 | - | - |
| Later than one year and not later than five years | 4,598.02 | - | - |
| Later than five years | - | - | - |
| **TOTAL** | **9,078.17** | **-** | **-** |

**NOTE 28 : HEDGING CONTRACTS**

The uncovered foreign exchange exposure:

***Rupees in '000***

| | Currency | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|---|
| Receivables | UK Pounds | 39.10 | 28.26 | - |
| | | | | |

**NOTE 29 : EMPLOYEE BENEFITS**

**a) DEFINED CONTRIBUTION PLAN**

**Provident Fund:**

The contributions to the Provident Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution on the company

**b) DEFINED BENEFIT PLAN**

**Gratuity:**

The liability in respect of future payment of gratuity to retiring employees on retirement is provided on the basis of actual number of year's entitlement pending to be paid as at the end of each year. The Company estimates and provides the liability towards gratuity on the basis of actuarial valuation made at the end of the year.

These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

**c) Amounts Recognised as Expense:**

**I) Defined Contribution Plan**

Employer's Contribution to Provident Fund, ESIC and LWF amounting to Rs. 699 thousand (*March 2017: Rs. 61 thousand, March 2016: Rs.Nil* )has been included under Contribution to Provident and Other Funds.

**II) Defined Benefit Plan**

Gratuity cost amounting to 1,072 thousand *(March 17: 242 thousand, March 16: 76 thousand )* has been included in Note 33 under Contribution to Provident and Other Funds.

**NOTE 29 : EMPLOYEE BENEFITS (Contd.)**

The amounts recognised in the Company's financial statements as at year end are as under:

*Rupees in '000*

| | | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|---|
| **i)** | **Change in Present Value of Obligation** | | | |
| | Present value of the obligation at the beginning of the year | 319,073.00 | 76,826.00 | - |
| | Current Service Cost | 362,905.00 | 86,591.00 | 76,826.00 |
| | Interest Cost | 31,723.00 | 9,377.00 | |
| | Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions | - | - | - |
| | Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions | (62,784.00) | 16,074.00 | - |
| | Actuarial (Gain) / Loss on Obligation- Due to Experience | 739,833.00 | 130,205.00 | - |
| | Benefits Paid | | | |
| | Present value of the obligation at the end of the year | **1,390,750.00** | **319,073.00** | **76,826.00** |
| **ii)** | **Change in Plan Assets** | | | |
| | Fair value of Plan Assets at the beginning of the year | - | - | - |
| | Interest Income | - | - | - |
| | Return on plan assets excluding interest income | - | - | - |
| | Benefits Paid | - | - | - |
| | Fair value of Plan Assets at the end of the year | **-** | **-** | **-** |
| **iii)** | **Amounts Recognised in the Balance Sheet:** | | | |
| | Present value of Obligation at the end of the year | 1,390,750.00 | 319,073.00 | |
| | Fair value of Plan Assets at the end of the year | - | - | - |
| | Funded status - Deficit | 1,390,750.00 | 319,073.00 | - |
| | Net Liability recognised in the Balance Sheet | **1,390,750.00** | **319,073.00** | **-** |
| **iv)** | **Amounts Recognised in the Statement of Profit and Loss:** | | | |
| | Current Service Cost | 362,905.00 | 86,591.00 | 76,826.00 |
| | Interest Cost on Obligation | 31,723.00 | 9,377.00 | - |
| | Net Cost Included in Personnel Expenses | **394,628.00** | **95,968.00** | **76,826.00** |
| **v)** | **Recognised in other comprehensive income for the year** | | | |
| | Actuarial (Gain) / Loss on Obligation | 677,049.00 | 146,279.00 | - |
| | Return on plan assets excluding interest income | | - | - |
| | Recognised in other comprehensive income | **677,049.00** | **146,279.00** | **-** |
| **vi)** | **Actuarial Assumptions** | | | |
| | i) Discount Rate | 7.75% | 7.22% | 7.81% |
| | ii) Salary Escalation Rate | 12.00% p.a. | 12.00% p.a. | 12.00% p.a. |
| | iii) Mortality | Indian Assured Lives Mortality (2006-08) Ultimate | | |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**vii) Maturity Analysis of Projected Benefit Obligation: From the Fund**

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| **Projected Benefits Payable in Future Years From the Date of Reporting** | | | |
| Within the next 12 months | 2,345.00 | 481.00 | 114.00 |
| 2nd Following Year | 24,437.00 | 474.00 | 111.00 |
| 3rd Following Year | 101,357.00 | 8,863.00 | 107.00 |
| 4th Following Year | 172,690.00 | 35,993.00 | 4,046.00 |
| 5th Following Year | 198,870.00 | 47,906.00 | 11,965.00 |
| Sum of Years 6 To 10 | 918,364.00 | 217,069.00 | 58,572.00 |

**viii) Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| | 31-Mar-18 | | 31-Mar-17 | | 42,460 | |
|---|---|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease | Increase | Decrease |
| Discount rate (100 basis points) | (121,776.00) | 124,146.00 | (27,932.00) | 28,570.00 | (6,725.00) | 6,879.00 |
| Future salary growth (100 basis points) | 96,746.00 | 92,547.00 | 22,189.00 | (21,239.00) | 5,343.00 | (5,114.00) |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**ix) Other details**

| | |
|---|---|
| Methodology Adopted for ALM | Projected Unit Credit Method |
| Usefulness and Methodology adopted for Sensitivity analysis | Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis. |
| Stress Testing of Assets | Not Done |
| Investment Strategy | Not Applicable |
| Comment on Quality of Assets | Not Applicable |
| Management Perspective of Future Contributions | As per Actuarial calculation |

**x) Risk exposure**

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:
**Interest Rate Risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
**Salary Inflation risk** : Higher than expected increases in salary will increase the defined benefit obligation.
**Demographic Risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

**III) Compensated absences**

The leave obligations cover the company's liability for earned leave.

The company recognises the obligations as per the actuarial valuation. A summary of employee benefit obligation for compensated leave is presented below:

| Particulars | As at March 31, 2018 |
|---|---|
| The Actuarial Liability in respect of the compensated absence of earned leave | 280,922.00 |
| Less: Plan assets | - |
| Net obligation | 280,922.00 |
| **Significant Assumptions** | |
| Discounting Rate | 7.75% |
| Salary escalation Rate | 12% |
| Retirement Age | 58 Years |

**Note:**

The company did not have any policy for carry forward of earned leave during the previous year 31 March 2017 and 31 March 2016 and hence figures for these periods are not reported

**NOTE 30 : FINANCIAL INSTRUMENTS**

**A. Accounting classification and fair values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

***Rupees in '000***

| As at March 31, 2018 | Carrying amount / Fair Value | | | | Fair value Hierarchy | | | |
|---|---|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets** | | | | | | | | |
| **Non Current** | | | | | | | | |
| *Investments* | | | | | | | | |
| Shares* | - | 191,172.48 | - | 191,172.48 | - | - | 191,172.48 | 191,172.48 |
| Loans | | | 4,692.12 | 4,692.12 | | | 4,692.12 | 4,692.12 |
| Others | | | 1,066.67 | 1,066.67 | | | 1,066.67 | 1,066.67 |
| **Current** | | | | | | | | |
| Trade receivables | - | - | 20,817.95 | 20,817.95 | - | - | 20,817.95 | 20,817.95 |
| Cash and cash equivalents | - | - | 21,712.95 | 21,712.95 | - | - | 21,712.95 | 21,712.95 |
| Other Current Financial Assets | - | - | 2,294.89 | 2,294.89 | - | - | 2,294.89 | 2,294.89 |
| | **-** | **191,172.48** | **50,584.58** | **241,757.06** | **-** | **-** | **241,757.06** | **241,757.06** |
| **Financial liabilities** | | | | | | | | |
| **Current** | | | | | | | | |
| Trade and other payables | - | - | 4,347.20 | 4,347.20 | - | - | 4,347.20 | 4,347.20 |
| Other Current Financial Liabilities | - | - | 6,256.47 | 6,256.47 | - | - | 6,256.47 | 6,256.47 |
| | **-** | **-** | **10,603.67** | **10,603.67** | **-** | **-** | **10,603.67** | **10,603.67** |

| As at March 31, 2017 | Carrying amount | | | | Fair value Hierarchy | | | |
|---|---|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets** | | | | | | | | |
| **Non Current** | | | | | | | | |
| *Investments* | | | | | | | | |
| Shares* | - | 174,126.22 | - | 174,126.22 | - | - | 174,126.22 | 174,126.22 |
| Loans | | | 4,000.00 | 4,000.00 | | | 4,000.00 | 4,000.00 |
| **Current** | | | | | | | | |
| Trade receivables | - | - | 4,688.44 | 4,688.44 | - | - | 4,688.44 | 4,688.44 |
| Cash and cash equivalents | - | - | 2,070.89 | 2,070.89 | - | - | 2,070.89 | 2,070.89 |
| Other Current Financial Assets | - | - | 341.12 | 341.12 | - | - | 341.12 | 341.12 |
| | **-** | **174,126.22** | **11,100.45** | **185,226.67** | **-** | **-** | **185,226.67** | **185,226.67** |
| **Financial liabilities** | | | | | | | | |
| **Current** | | | | | | | | |
| Trade and other payables | - | - | 752.27 | 752.27 | - | - | 752.27 | 752.27 |
| Other Current financial liabilitie | - | - | 8,434.92 | 8,434.92 | - | - | 8,434.92 | 8,434.92 |
| | **-** | **-** | **9,187.19** | **9,187.19** | **-** | **-** | **9,187.19** | **9,187.19** |

| As at March 31, 2016 | Carrying amount | | | | Fair value Hierarchy | | | |
|---|---|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets** | | | | | | | | |
| **Non Current** | | | | | | | | |
| *Investments** | | | | | | | | |
| Shares | - | 36,689.76 | - | 36,689.76 | - | - | 36,689.76 | 36,689.76 |
| Loans | | | 2,000.00 | 2,000.00 | | | 2,000.00 | 2,000.00 |
| **Current** | | | | | | | | |
| Trade receivables | - | - | 208.33 | 208.33 | - | - | 208.33 | 208.33 |
| Cash and cash equivalents | - | - | 1,712.98 | 1,712.98 | - | - | 1,712.98 | 1,712.98 |
| Other Current Financial Assets | - | - | 16.00 | 16.00 | - | - | 16.00 | 16.00 |
| | **-** | **36,689.76** | **3,937.31** | **40,627.07** | **-** | **-** | **40,627.07** | **40,627.07** |
| **Financial liabilities** | | | | | | | | |
| **Current** | | | | | | | | |
| Trade and other payables | - | - | 624.46 | 624.46 | - | - | 624.46 | 624.46 |
| Other Current financial liabilitie | - | - | 1,703.94 | 1,703.94 | - | - | 1,703.94 | 1,703.94 |
| | **-** | **-** | **2,328.40** | **2,328.40** | **-** | **-** | **2,328.40** | **2,328.40** |

*** Note: Includes investment in equity instruments of Associates companies which are valued at cost**

Level - 1 : quoted prices (unadjusted) in active markets for identical assets or liabilitie
Level - 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from price
Level - 3 :inputs for the asset or liability that are not based on observable market data (unobservable inputs

**NOTE 30 : FINANCIAL INSTRUMENTS (Contd.)**

**B. Measurement of fair values**

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

**Financial instruments measured at fair valu**

| Type | Valuation technique | Significant unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|---|---|---|---|
| Investment in equity shares of private limited companies | Discounted cash flow (DCF) method | Future estimated free cash flows available to the equity holders. This method takes into account the inherent strength of the business to generate cash flows | A 1% increase or decrease in the estimated discounted cash flow of the company is not likely to have any significant impact on the fair valuation of the equity instruments. |
| Investment in preference shares of private limited companies | Discounted cash flow (DCF) method | Future estimated free cash flows available to the equity holders. This method takes into account the inherent strength of the business to generate cash flows | A 1% increase or decrease in the estimated discounted cash flow of the company is not likely to have any significant impact on the fair valuation of the preference instruments. |

**Level 3 fair values**

Reconciliation of Level 3 fair values

The following table shows a reconciliation

| Particulars | Unlisted equity shares | Unlisted preference shares |
|---|---|---|
| Purchased during the period ended 31 March 2016 | 44.05 | - |
| Gain/(loss) recognised in OCI (unrealised) | 36,645.70 | - |
| Closing Balance (31 March 2016) | 36,689.76 | - |
| | | |
| Opening Balance(1 April 2017) | 36,689.76 | - |
| Gain/(loss) recognised in OCI (unrealised) | 122,744.95 | 14,635.00 |
| Purchases | 25.00 | 32.00 |
| Closing Balance (31 March 2017) | 159,459.70 | 14,667.00 |
| | | |
| Opening Balance(1 April 2017) | 159,459.70 | 14,667.00 |
| Gain/(loss) recognised in OCI (unrealised) | (60.35) | (302.00) |
| Purchases | 14,831.00 | 2,586.00 |
| Sales | (8.00) | |
| Closing Balance (31 March 2018) | 174,221.36 | 16,950.00 |

**C. Financial risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The analysis of each risk is as follows

A) Credit risk

Credit risk arises from cash and cash equivalents, instruments carried at amortised cost and deposits with banks, as well as credit exposures to customers including outstanding receivables.

**NOTE 31 : FINANCIAL RISK MANAGEMENT**

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings, investments and derivative financial instruments.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since it has no borrowings.

**(ii) Management of price risk:**

The Company invests its surplus funds in various unlisted equity and preference shares. Investments in unlisted equities and preference shares are susceptible to market price risk, arising from changes in availability of future free cash flow which may impact the return and value of the investments. The company mitigates this risk by periodically evaluating the performances of the investee company.

**(iii) Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits and periodic monitoring of the exposures. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

**Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR**

The currency profile of financial assets and financial liabilities as at March 31 2018, March 31 2017 and March 31 2016 are as below:

***Rupees in '000***

| | March 31 2018 GBP | March 31 2017 GBP | March 31 2016 GBP |
|---|---|---|---|
| **Financial assets** | | | |
| Trade receivables | 39.10 | 28.26 | - |
| | **39.10** | **28.26** | **-** |
| | | | |
| **Net exposure** | **39.10** | **28.26** | **-** |

The following significant exchange rates have been applied during the year.

| | Year-end spot rate as at | | |
|---|---|---|---|
| | **March 31, 2018** | **March 31, 2017** | **March 31, 2016** |
| UK Pound INR | 0.01 | 0.01 | - |

**Sensitivity analysis**

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD at March 31 would have affected the measurement of financial instruments denominated in USD and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

***Rupees in '000***

| Effect in INR | Profit or loss | |
|---|---|---|
| | **Strengthening** | **Weakening** |
| **March 31, 2018** | | |
| **5% movement** | | |
| UK Pound | 1.95 | (1.95) |
| | **1.95** | **(1.95)** |

***Rupees in '000***

| Effect in INR | Profit or loss | |
|---|---|---|
| | **Strengthening** | **Weakening** |
| **March 31, 2017** | | |
| **5% movement** | | |
| UK Pound | 1.41 | (1.41) |
| | **1.41** | **(1.41)** |

**NOTE 31 : FINANCIAL RISK MANAGEMENT (Contd.)**

**B. MANAGEMENT OF CREDIT RISK:**

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in unlisted securities, foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

Other receivables consist primarily of security deposits, loans to employees and other receivables. The risk of default is assessed as low.
Security deposits includes amounts due in respect of certain lease contracts and tender deposits to Government of India.
The risk of default is considered low as the counterparties represent apart from the governmental authority large, well established companies within India.

Credit risk from investments of surplus funds is managed by the Company's treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counterparties who meet the minimum threshold requirements as prescribed by the Board. The Company monitors the financial strength of its counter parties and adjusts its exposure accordingly.

Credit risk on cash and cash equivalents is assessed as low risk as the company does not have any deposits and the entire amount represents balance in current account with banks

Credit risk for trade receivables is evaluated as follows

Expected credit loss for trade receivables and unbilled revenue under simplified approacl

**Year ended March 31 2018**

Rupees in '000

| **Trade Receivables** | **Overdue for a period of less than a year** | **Overdue for a period of more than a year** | **Total** |
|---|---|---|---|
| Gross carrying amount | 20,817.95 | 3,783.05 | 24,601.00 |
| Expected credit loss rate | 0% | 100% | |
| Expected credit loss ( provision for credit loss) | - | (3,783.05) | (3,783.05) |
| Carrying amount of trade receivables | **20,817.95** | **-** | **20,817.95** |

**Year ended March 31 2017**

Rupees in '000

| **Trade Receivables** | **Overdue for a period of less than a year** | **Overdue for a period of more than a year** | **Total** |
|---|---|---|---|
| Gross carrying amount | 4,688.44 | - | 4,688.44 |
| Expected credit loss rate | 0% | 100% | |
| Expected credit loss ( provision for credit loss) | | | - |
| Carrying amount of trade receivables | **4,688.44** | **-** | **4,688.44** |

**Year ended March 31 2016**

Rupees in '000

| **Trade Receivables** | **Overdue for a period of less than a year** | **Overdue for a period of more than a year** | **Total** |
|---|---|---|---|
| Gross carrying amount | 208.33 | - | 208.33 |
| Expected credit loss rate | 0% | 100% | |
| Expected credit loss ( provision for credit loss) | | | - |
| Carrying amount of trade receivables | **208.33** | **-** | **208.33** |

Management believes that the unimpaired amounts that are past due by less than a year are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

Rupees in '000

| | **Trade receivables Impairments** |
|---|---|
| Balance as at April 1, 2016 | - |
| Impairment loss recognised | - |
| Amounts written off | - |
| **Balance as at March 31, 2017** | **-** |
| Impairment loss recognised | 3,783.05 |
| Amounts written off | - |
| **Balance as at March 31, 2018** | **3,783.05** |

**NOTE 31 : FINANCIAL RISK MANAGEMENT (Contd.)**

**C. MANAGEMENT OF LIQUIDITY RISK:**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a robust cash management system in place.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

***Rupees in '000***

| | | Contractual cash flows | | | | |
|---|---|---|---|---|---|---|
| **March 31 2018** | **Carrying amount** | **Total** | **Less than 1 Year** | **1-2 years** | **2-5 years** | **More than 5 years** |
| **Non-derivative financial liabilities** | | | | | | |
| Trade and other payables | 4,347.20 | 4,347.20 | 4,347.20 | - | - | - |
| Other Financial Liabilities | 6,256.47 | 6,256.47 | 6,256.47 | - | - | - |

***Rupees in '000***

| | | Contractual cash flows | | | | |
|---|---|---|---|---|---|---|
| **March 31 2017** | **Carrying amount** | **Total** | **Less than 1 Year** | **1-2 years** | **2-5 years** | **More than 5 years** |
| **Non-derivative financial liabilities** | | | | | | |
| Trade and other payables | 752.27 | 752.27 | 752.27 | - | - | - |
| Other Financial Liabilities | 8,434.92 | 8,434.92 | 8,434.92 | - | - | - |

***Rupees in '000***

| | | Contractual cash flows | | | | |
|---|---|---|---|---|---|---|
| **March 31 2016** | **Carrying amount** | **Total** | **Less than 1 Year** | **1-2 years** | **2-5 years** | **More than 5 years** |
| **Non-derivative financial liabilities** | | | | | | |
| Trade and other payables | 624.46 | 624.46 | 624.46 | - | - | - |
| Other Financial Liabilities | 1,703.94 | 1,703.94 | 1,703.94 | - | - | - |

**32 Other events after the reporting period**

**1 The Company has made the following investments after March 31, 2018:**

a) In April, 2018, the Company has invested Rs 738 thousand for a 9.75% stake in equity share capital of Snaphunt PTE Limited ("Snaphunt"), pursuant to the agreement dated 16 Novemeber, 2017. Snaphunt is engaged in a business of providing recruitment and assessment services thorugh a technology enabled platform.
Further, the Company has invested Rs 328 thousand in Optionally Convertible Preference Shares (OCPS) of Snaphunt.

b) In May, 2018, the Company has invested Rs 3,012 thousand Optinally Convertible Prefrence Shares (OCPS) of Kidsstoppress Media Private Limited ("Kidsstoppress"). Kidsstoppress is engaged in a business of providing children lifestyle blog, information on latest products/services to parents/kids and information relating to kids events in the city.

2 In July, 2018, the Company has disposed of its investment in equity shares in Fortigo Network Xelpmoc Private Limited ("Fortigo Network") amounting to Rs 31 thousand due to which the stake in Fortigo Netwrok is reduced from 49% to 18%.

3 In June, 2018, the Company has completely disposed of its investments in equity shares of IFTOSI Jewels Private Limited ("IFTOSI") amounting to Rs. 17 thousand.

4 The shareholders of the Company accorded their consent to the issue and allotment of 65,999 equity shares of Rs 10 each at a price of Rs. 90 (including premium of Rs. 80 per share) per share, for cash, through private placement on a preferential basis to the proposed allottees at the Extraordinary General Meeting (EGM) held on April 30, 2018. On May 14, 2018, pursuant to allotment of these equity shares, the equity share capital of the Company has increased to 65,83,131 Equity Shares.

**5 Issue of Bonus Shares:**

The shareholders of the company, at the EGM dated July 28, 2018 accorded their consent to the issuance of the Bonus shares in the proportion of 55 Equity Shares for every 100 Equity Shares held by the members. Consequently, the number of shares has increased from 65,83,131 Equity Shares to 10,203,856 Equity Shares.
The impact of this issue on the earning per share is presented as below:

| Particulars | Earning Per Share before Bonus issue as at March 31, 2018 | Earning Per Share post Bonus issue as at March 31, 2018 |
|---|---|---|
| Basic (`) | (6.04) | (3.72) |
| Diluted (`) | (6.04) | (3.72) |

**6** The Company has been converted into Public Company under section 18 of Companies Act, 2013 w.e.f from July 20, 2018 and the name of the Company is changed to "Xelpmoc Design And Tech Limited".

**For JHS & Associates LLP**
Chartered Accountants
Firm Registration No. 1333288W/W100099

**CA. Huzeifa Unwala**
Partner
Membership No.: 105711
Place: Mumbai
Date: August 24, 2018

**For Xelpmoc Design and Tech Limited**

**Sandipan Chattopadhyay**
Managing Director
DIN: 00794717
Place: Mumbai
Date: August 24, 2018

**Jaison Jose**
Whole Time Director
DIN: 07719333
Place: Mumbai
Date: August 24, 2018

**Srinivas Koora**
Chief Financial Officer
DIN: 07227584
Place: Mumbai
Date: August 24, 2018

**Vaishali Kondbhar**
Company Secretary
-
Place: Mumbai
Date: August 24, 2018

The following reconciliations provide the explanations and quantifications of the differences arising between Indian GAAP and Ind AS in accordance with Ind AS 101:

**i) Effect of Ind AS adoption on the balance sheet as at March 31 2018; March 31 2017 and 31 March 2016**

*Rupees in '000*

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| **Total Equity as per Indian GAAP** | **(3,183.29)** | **(44,375.09)** | **(16,497.49)** |
| **Summary of Ind AS adjustments** | | | |
| Fair value Adjustments to the Investments | 173,663.31 | 174,025.65 | 36,645.70 |
| Lease Straighlining adjustments | 105.00 | - | - |
| Deferred tax on Ind AS Adjustments | (44,776.88) | (45,114.58) | (9,535.83) |
| **Total Ind AS adjustments** | **128,991.42** | **128,911.07** | **27,109.87** |
| **Summary of restated adjustments** | | | |
| Prior period Expenses | - | (911.00) | (77.00) |
| Prior period Income | - | 315.00 | - |
| Prior period depreciation | - | (534.00) | (148.00) |
| **Total restatement adjustments** | **-** | **(1,130.00)** | **(225.00)** |
| **Total Equity as per Ind AS** | **125,807.71** | **83,405.98** | **10,387.38** |

**ii) Effect of Ind AS adoption on the Statement of profit and loss for the year ended March 31 2018, March 31 2017 and March 31 2016:**

*Rupees in '000*

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|
| **Profit After Tax as per Indian GAAP** | **(37,017.41)** | **(27,877.58)** | **(16,497.43)** |
| **Summary of Ind AS adjustments** | | | |
| Fair value Adjustments to the Investments | (362.35) | 137,379.95 | 36,645.70 |
| Lease Straighlining adjustments | 105.00 | - | - |
| Deferred tax on Ind AS Adjustments | 337.44 | (35,578.50) | (9,535.83) |
| **Total Ind AS adjustments** | **80.10** | **101,801.45** | **27,109.87** |
| **Summary of restated adjustments** | | | |
| Prior period Expenses | 911.00 | (834.00) | (77.00) |
| Prior period Income | (315.00) | 315.00 | - |
| Prior period depreciation | 534.00 | (386.00) | (148.00) |
| **Total restatement adjustments** | **1,130.00** | **(905.00)** | **(225.00)** |
| **Total Comprehensive income as per Ind AS** | **(35,807.49)** | **73,018.60** | **10,387.38** |

**NOTE**
Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

**Annexure VI: Restated Standalone Summary Statement of IGAAP to Ind AS Reconcilaition(Contd.)**

The financial information of the Company as at and for the year ended 31 March 2016, 31 March 2017 and 31 March 2018 is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) and accordingly suitable restatement adjustments in the accounting heads has been made in the financial information.

This Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended 31 March 2016, 31 March 2017 and 31 March 2018, as described in this Note.The impact of Ind AS 101 on the equity under Indian GAAP as at 31 March 2016, 31 March 2017 and 31 March 2018 and the impact on the profit or loss for the year ended 31 March 2016, 31 March 2017 and 31 March 2018 due to the Ind- AS principles applied during the year ended 31 March 2016, 31 March 2017 and 31 March 2018 can be explained as under:

**iii) Reconciliation of Standalone Balance sheet as previously reported under IGAAP to Ind AS** *Rupees in '000*

| | Foot Note No. | Balance Sheet as at April 1, 2018 | | | | Balance Sheet as at April 1, 2017 | | | | Balance Sheet as at April 1, 2016 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | IGAAP | Ind AS adjustments | Restatement Adjustments | Ind AS | IGAAP | Ind AS adjustments | Restatement Adjustments | Ind AS | IGAAP | Ind AS adjustments | Restatement Adjustments | Ind AS |
| **I. ASSETS** | | | | | | | | | | | | | |
| **Non-current assets** | | | | | | | | | | | | | |
| (a) Property, Plant and Equipment | A | 3,089.55 | - | | 3,089.55 | 1,416.41 | | (534.00) | 882.41 | 1,239.10 | | (148.00) | 1,091.10 |
| (b) Financial Assets | | | | | | - | | | | - | | | |
| (i) Investments in associates | B | 1,204.55 | | | 1,204.55 | 25.00 | - | | 25.00 | - | - | | - |
| (ii) Other Investments | B | 16,304.62 | 173,663.31 | | 189,967.93 | 75.56 | 174,025.65 | | 174,101.22 | 44.05 | 36,645.70 | | 36,689.76 |
| (iii) Loans | | 4,692.12 | | | 4,692.12 | 4,000.00 | - | | 4,000.00 | 2,000.00 | - | | 2,000.00 |
| (iv) Others | | 1,066.67 | | | 1,066.67 | - | - | | - | - | - | | - |
| (ii) Non-Current Tax Assets (Net) | | 5,528.69 | | | 5,528.69 | 347.81 | - | | 347.81 | - | - | | - |
| **Total Non Current Assets** | | **31,886.20** | **173,663.31** | | **205,549.51** | **5,864.78** | **174,025.65** | **(534.00)** | **179,356.43** | **3,283.15** | **36,645.70** | **(148.00)** | **39,780.86** |
| **Current assets** | | | | | | | | | | | | | |
| (a) Financial Assets | | | | | | | | | | | | | |
| (i) Trade receivables | | 20,817.95 | | | 20,817.95 | 4,688.44 | - | | 4,688.44 | 208.33 | - | | 208.33 |
| (ii) Cash and cash equivalents | | 21,712.95 | | | 21,712.95 | 2,070.89 | - | | 2,070.89 | 1,712.98 | - | | 1,712.98 |
| (iii) Others | C | 2,294.89 | | | 2,294.89 | 26.12 | | 315.00 | 341.12 | 16.00 | - | | 16.00 |
| (c) Current Tax Assets (Net) | | - | | | - | - | - | | - | - | - | | - |
| (b) Other current assets | | 262.42 | | | 262.42 | 775.86 | - | | 775.86 | 132.37 | - | | 132.37 |
| | | - | - | | - | **7,561.31** | **-** | **315.00** | **7,876.31** | **2,069.68** | **-** | **-** | **2,069.68** |
| **Total Current Assets** | | **45,088.21** | **-** | | **45,088.21** | **7,561.31** | **-** | **315.00** | **7,876.31** | **2,069.68** | **-** | **-** | **2,069.68** |
| | | | | | | | | | | - | | | |
| **TOTAL ASSETS** | | **76,974.41** | **173,663.31** | | **250,637.65** | **13,426.17** | **174,025.65** | **(219.00)** | **187,232.82** | **5,352.72** | **36,645.70** | **(148.00)** | **41,850.43** |
| **II. EQUITY AND LIABILITIES** | | | | | | | | | | | | | |
| **1. Equity** | | | | | | | | | | | | | |
| (a) Equity Share capital | | 65,171.32 | - | | 65,171.32 | 48,749.98 | - | | 48,749.98 | 18,749.99 | - | | 18,749.99 |
| (b) Other Equity | D | (3,183.29) | 128,991.00 | | 125,807.71 | (44,375.09) | 128,911.07 | (1,130.00) | 83,405.98 | (16,497.49) | 27,109.87 | (225.00) | 10,387.38 |
| **Total Equity** | | **61,988.03** | **128,991.00** | | **190,979.03** | **4,374.89** | **128,911.07** | **(1,130.00)** | **132,155.96** | **2,252.50** | **27,109.87** | **(225.00)** | **29,137.37** |
| **2. Liabilities** | | | | | | | | | | | | | |
| **Non-current liabilities** | | | | | | | | | | | | | |
| (a) Provisions | | 1,614.29 | - | | 1,614.29 | (0.11) | - | 319.07 | 318.96 | (0.11) | | 76.72 | 76.61 |
| (b) Deferred tax liabilities (Net) | E | (0.07) | 44,776.88 | | 44,776.81 | 157.19 | 45,114.33 | | 45,271.52 | - | 9,535.83 | | 9,535.83 |
| (d) Other non-current liabilities | G | 104.00 | (104.00) | | - | - | | | - | - | - | | - |
| **Total Non Current Liabilities** | | **1,718.22** | **44,672.88** | | **46,391.11** | **157.08** | **45,114.33** | **319.07** | **45,590.48** | **(0.11)** | **9,535.83** | **76.72** | **9,612.44** |
| **Current liabilities** | | | | | | | | | | | | | |
| (a) Financial Liabilities | | | | | | | | | | | | | |
| (i) Trade payables | F | 4,347.20 | | | 4,347.20 | 220.27 | - | 532.00 | 752.27 | 624.46 | - | | 624.46 |
| (ii) Other financial liabilities | | 6,256.47 | | | 6,256.47 | 8,374.92 | - | 60.00 | 8,434.92 | 1,703.94 | - | | 1,703.94 |
| (b) Other current liabilities | I | 2,606.23 | | | 2,606.23 | 299.19 | - | | 299.19 | 772.11 | - | | 772.11 |
| (c) Provisions | | 57.62 | | | 57.62 | - | | | - | - | 0.11 | | 0.11 |
| **Total Current Liabilities** | | **13,267.52** | **-** | | **13,267.52** | **8,894.38** | **-** | **592.00** | **9,486.38** | **3,100.51** | **0.11** | **-** | **3,100.62** |
| | | - | | | - | - | | | - | - | | | - |
| **TOTAL EQUITY AND LIABILITIES** | | **76,973.77** | **173,663.88** | | **250,637.65** | **13,426.35** | **174,025.39** | **(218.93)** | **187,232.82** | **5,352.90** | **36,645.81** | **(148.28)** | **41,850.43** |

Notes:

**A** **Property, Plant and Equipment**

a. Adjustments on account of depreciation charged at the wrong rate in the prior periods

b. Reclassification of Mobile phones from Computers to Office Equipments and hence change in the depreciation provided on this class of Property Plant and Equipment

**B** **Other non current Investments:**

Under the previous GAAP, investments in equity instruments were classified as long-term investments which were carried at cost less provision for other than temporary decline in the value of such instruments. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in the other comprehensive Income for the year ended March 31, 2018, March 31 2017 and March 31 2016. Investments in associates and JV are valued at cost.

**C** **Other Current Financial Assets**

Adjustments on account of omissions for interest accrued on corporate deposits granted by the company for the year ended 31 March , 2017

**D** **Other Equity**

Adjustment is on account of fair value of unquoted equity shares. The same has been adjusted in the Restated Statement balance sheet for the respective years to which they relate.

**E** **Deferred tax liabilities (Net)**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.
Deferrred tax has been computed on Ind AS adjustments made and has been adjusted in the Restated Financial Statements for the respective years to which they relate.

**F** **Impact on trade payables due to prior period items**

In the Financial statements for the years ended March 31, 2017 and period ended March 31, 2016 certain items of income/expenses have been identified as prior period items.For the purpose of this restated standalone financial statement, such prior period items have been appropriately adjusted in the respective years.

**G** **Provision for lease straightlining**

Under the IGAAP, provision for lease straightlining is done for rent escalation during the lock in period, however, as the rent escalation is only 3%, the same is treated as in line with inflation as per Ind AS. Accordingly, no lease straightlining impact given under Ind AS.

**H** **Estimates**

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

**I** **Material Regrouping**

Appropriate adjustments have been made in the Restated Financial Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities, receipts and payments in order to bring them in line with the groupings as per the restated Standalone financial statements ofthe Company for the year ended March 31,2018, 31 March 2017 and 31 March 2016.

**Annexure VI: Restated Standalone Summary Statement of IGAAP to Ind AS Reconcilaition(Contd.)**

**iv Reconciliation Statement of Standalone Profit and Loss as previously reported under IGAAP to Ind AS**

*Rupees in '000*

| | Foot Note No. | Statement of Profit & Loss for the year ended March 31, 2018 | | | | Statement of Profit & Loss for the year ended March 31, 2017 | | | | Statement of Profit & Loss for the period ended March 31, 2016 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | IGAAP | Ind AS adjustments | Restatement Adjustments | Ind AS | IGAAP | Ind AS adjustments | Restatement Adjustments | Ind AS | IGAAP | Ind AS adjustments | Restatement Adjustments | Ind AS |
| **Revenue** | | | | | | | | | | | | | |
| **I** Revenue from Operations | | 53,601.34 | - | | 53,601.34 | 18,838.96 | - | | 18,838.96 | 208.33 | - | | 208.33 |
| **II** Other Income | **A** | 925.16 | | (315.12) | 610.04 | 81.51 | | 315.00 | 396.51 | - | - | | - |
| **III Total Income (I + II)** | | **54,526.50** | **-** | **(315.12)** | **54,211.38** | **18,920.47** | **-** | **315.00** | **19,235.47** | **208.33** | **-** | **-** | **208.33** |
| **IV Expenses** | | | | | | | | | | | | | |
| Employee Benefits Expense | **B, D,H** | 36,965.90 | (677.00) | 224.00 | 36,512.90 | 31,273.03 | | 400.00 | 31,673.03 | 13,452.37 | | 76.83 | 13,529.20 |
| Finance Costs | **H** | 34.94 | - | | 34.94 | 0.31 | - | 54.00 | 54.31 | - | - | | - |
| Depreciation and Amortization Expense | **C** | 1,263.69 | - | (534.00) | 729.69 | 523.28 | | 386.00 | 909.28 | 151.38 | | 148.24 | 299.62 |
| Other Expenses | **D,G,H** | 52,524.40 | (104.00) | (224.00) | 52,196.40 | 14,844.44 | - | 234.00 | 15,078.44 | 3,102.01 | - | | 3,102.01 |
| **Total Expenses** | | **90,789.92** | **(781.00)** | **(534.00)** | **89,473.92** | **46,641.05** | **-** | **1,074.00** | **47,715.05** | **16,705.76** | **-** | **225.06** | **16,930.83** |
| Prior Period Expenses | **D** | 911.00 | - | (911.00) | - | | | | | | | | |
| **V Profit Before Tax (III-IV)** | | **(37,174.41)** | **781.00** | **1,129.88** | **(35,262.54)** | **(27,720.58)** | **-** | **(759.00)** | **(28,479.58)** | **(16,497.43)** | **-** | **(225.06)** | **(16,722.49)** |
| **VI Tax Expense** | | | | | | | | | | | | | |
| (1) Deferred Tax | | (157.00) | (67.20) | | (224.20) | (157.00) | 102.00 | | (55.00) | - | 7.95 | - | 7.95 |
| **Total Tax Expense** | **F** | **(157.00)** | **(67.20)** | | **(224.20)** | **(157.00)** | **102.00** | **-** | **(55.00)** | **-** | **7.95** | **-** | **7.95** |
| **VII Profit for the Year (V-VI)** | | **(37,017.41)** | **848.20** | **1,129.88** | **(35,038.34)** | **(27,877.58)** | **102.00** | **(759.00)** | **(28,534.58)** | **(16,497.43)** | **(7.95)** | **(225.06)** | **(16,730.44)** |
| **VIII Other Comprehensive Income** | | | | | | | | | | | | | |
| **A (i) Items that will not be reclassified to profit or loss** | | | | | | | | | | | | | |
| Remeasurements of defined benefit plans | **B** | - | (677.05) | | (677.05) | - | | (146.00) | (146.28) | - | - | | - |
| Net (loss)/gain on FVTOCI equity securities | **E** | - | (362.35) | | (362.35) | - | 137,379.95 | | 137,379.95 | - | 36,645.70 | | 36,645.70 |
| **Income tax related to items that will not be reclassified to profit or loss** | **F** | - | - | | - | - | - | | - | - | - | | - |
| Income tax effec | | - | 268.00 | | 270.24 | - | (35,680.75) | | (35,680.75) | - | (9,527.88) | | (9,527.88) |
| **IX Total Comprehensive Income for the year (VII+VIII)** | | **(37,017.41)** | **77.81** | **1,129.88** | **(35,807.49)** | **(27,877.58)** | **101,801.19** | **(905.00)** | **73,019.34** | **(16,497.43)** | **27,109.87** | **(225.06)** | **10,387.38** |

**Notes**

**A Other Income**

1 Adjustments on account of ommission for interest accrued on corporate deposits granted by the company for the year ended 31 March 2017.

2 Adjustment on account of appreciation in the value of unquoted equity shares at fair value routed through other comprehensive income.

**B Employee Benefit Expenses**

**Other comprehensive income**

Both under Indian GAAP and Ind AS the Company recognised costs related to post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, actuarial gains and losses are charged to profit or loss, however in Ind AS the actuarial gains and losses are recognised through other comprehensive income & not reclassifed to Profit & Loss in subsequent period. The amount is presented in the Statement of Other Comprehensive Income net of deferred tax.

**C Depreciation and Ammortisation**

a. Adjustments on account of depreciation charged at the wrong rate in the prior periods

b. Reclassification of Mobile phones from Computers to Office Equipments and hence change in the depreciation provided on this class of Property Plant and Equipment

**D Prior Period Expenses**

In the Financial statements for the years ended March 31, 2017 and period ended March 31, 2016 certain items of income/expenses have been identified as prior period items.For the purpose of this statement, such prior period items have been appropriately adjusted in the respectiveyears as against the current reporting period under IGAAP

E **Fair value of Investments in equity instruments:**

Under the previous GAAP, investments in equity instruments were classified as long-term investments which were carried at cost less provision for other than temporary decline in the value of such instruments. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in the other comprehensive Income for the year ended March 31, 2018, March 31 2017 and March 31 2016. Investments in associates and JV are valued at cost.

**F Deferred tax expenses**

Deferrred tax has been computed on Ind AS adjustments made and has been adjusted in the Restated Financial Statements for the respective years to which they relate in the statement of profit and loss and other comprehensive income.
Deferred tax pertaining to amount on remeasuremnet gain/loss on defined benefit plan and on investments fair valued through other comprehensive income is accounted for in the statement of Other Comprehensive Income as per the requirement of the Ind AS

**G Provision for lease straightlining**

Under the IGAAP, provision for lease straightlining is done for rent escalation during the lock in period, however, as the rent escalation is only 3%, the same is treated as in line with inflation as per Ind AS. Accordingly, no lease straightlining impact given under Ind AS.

H **Material Regrouping**

Appropriate adjustments have been made in the Restated Financial Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities, receipts and payments in order to bring them in line with the groupings as per the restated standalone financial statemnets ofthe Company for the year ended March 31,2018m 31March 2017 and 31 March 2016.

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**Annexure VII: Restated Standalone statement of Accounting Ratios**

| Sr. no | Particulars | Rupees in 1000 | | |
|---|---|---|---|---|
| | | **2018** | **2017** | **2016** |
| 1 | PAT | (35,038.34) | (28,534.32) | (16,730.44) |
| | | | | |
| | Paid up equity capital | 65,171.32 | 48,749.98 | 18,749.99 |
| | Other Equity | 125,807.71 | 83,405.98 | 10,387.38 |
| 2 | Shareholders funds / Net worth | 190,979.03 | 132,155.96 | 29,137.37 |
| 3 | Average Networth | 161,567.49 | 80,646.66 | 14,568.68 |
| | | | | |
| **4** | **Return on average net worth % considering PAT (1/3*100)** | **-21.69%** | **-35.38%** | **-114.84%** |
| | | | | |
| 5 | No of shares outstanding on year end | 6,517,132 | 4,874,998 | 48,750 |
| 6 | Weighted average no of equity shares outstanding during the year for restated basic EPS | 9,417,032 | 5,512,162 | 3,621,807 |
| 7 | Weighted average no of equity shares outstanding during the year for restated diluted EPS | 9,417,032 | 5,512,162 | 3,621,807 |
| | **Restated basic EPS (1/6)** | **(3.72)** | **(5.18)** | **(4.62)** |
| | **Restated diluted EPS (1/7)** | **(3.72)** | **(5.18)** | **(4.62)** |
| | **Net Asset Value (2/5)** | **29.30** | **27.11** | **597.69** |

Notes: 1. The ratios on the basis of Restated Financial Information have been computed as below

Basic Earnings per share (Rs.) = Net profit as restated, attributable to equity shareholders / Weighted average number of equity shares

Diluted Earnings per share (Rs.) = Net profit as restated, attributable to equity shareholders / Weighted average number of dilutive equity shares

Average return on net worth (%) = Net profit after tax, as restated / Average Net worth, as restated *100

Net Asset Value (NAV) per equity share (Rs.) = Net worth as restated, at the end of the year / Number of equity shares outstanding at the end of the year

Net Worth = Equity share capital + Other Equity, as restated

2. The above ratios have been computed on the basis of the information in Annexure I to Annexure V of the Restated Standalone Financial Information

3. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the 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.

4. The Company does not have any dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the company remain the same.

5. The shareholders of the Company, at the EGM dated July 28, 2018 accorded their consent to the issuance of the Bonus shares in the proportion of 55 Equity Shares for every 100 Equity Shares held by the members. Consequently, the number of shares has increased to 10,203,856 Equity Shares.

6. As per Ind AS-33, if the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are approved for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares. Pursuant to the issue of bonus equity shares as mentioned above, the weighted average numbers of shares and consequently the basic and diluted earnings per share have been adjusted in the financial statements for all the periods presented.

7. Average Net worth means average of the opening and closing net worth for the year.

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**Annexure VIII: Restated Standalone Statement of Tax Shelter**

| | | (Rs in 1000) | | |
|---|---|---|---|---|
| | | As at | | |
| | Particulars | 31-Mar-18 | 31-Mar-17 | 31-Mar-16 |
| A | Restated profit before tax | (35,262.54) | (28,479.58) | (16,722.49) |
| B | Tax rate - statutory rate | 25.75% | 25.75% | 30.90% |
| **C** | **Tax as per actual rate on profits (A*B)** | **-** | **-** | **-** |
| | | | | |
| | Tax impact on Permanent differences | | | |
| | Interest on TDS | 9.00 | 14.00 | - |
| | Prior period Expenses | - | 152.00 | - |
| **D** | **Total tax impact on permanent differences** | **9.00** | **166.00** | **-** |
| | | | | |
| | Tax impact on Timing differences | | | |
| | Property, Plant and Equipment | 33.54 | 2.06 | (27.92) |
| | Defined benefit obligations & Other long term employee benefits | 109.00 | 24.72 | 19.97 |
| | Others | 81.00 | (81.11) | - |
| **E** | **Total tax impact on timing differences** | **224.20** | **(54.74)** | **(7.95)** |
| | | | | |
| F | Total tax impact (D+E) | 233.20 | 112.26 | (7.95) |
| | | | | |
| G | Current Tax (C-F) | - | - | - |
| | | | | |
| | **Calculation of MAT** | | | |
| H | Book profit as per MAT | (32,688.38) | (28,779.19) | (16,722.49) |
| I | MAT Rate % | 19.06% | 19.06% | 19.06% |
| J | Tax liability as per MAT (H*I) | - | - | - |
| | | | | |
| | Current Tax (Higher of G or J) | - | - | - |
| | Deferred tax charge for the year | (224.20) | 54.74 | 7.95 |
| | **Total Tax expense** | **(224.20)** | **54.74** | **7.95** |

| | | | | |
|---|---|---|---|---|
| | **As per restated financial statement** | | | |
| | Current tax | - | - | - |
| | Deferred tax | (224.20) | 54.74 | 7.95 |
| | **Total Tax expense as per restated financials** | **(224.20)** | **54.74** | **7.95** |

**XELPMOC DESIGN AND TECH LIMITED**
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**Annexure IX: Restated Standalone Statement of Capitalisation**

| Particulars | Rs in 1000 | |
|---|---|---|
| | **Pre issue as at 31.3.18** | **Post issue (as adjusted for issue)** |
| **Borrowings** | | |
| Short term | NIL | **[.]** |
| Long term (including current maturities) (a) | NIL | **[.]** |
| **Total borrowings (b)** | **NIL** | **[.]** |
| | | |
| **Shareholders funds** | | |
| Share capital | 65,171.32 | **[.]** |
| Other Equity as restated | 125,807.71 | **[.]** |
| **Total Shareholders Funds (c)** | 190,979.03 | **[.]** |
| | | |
| **Long term borrowings / equity ratio (a/c)** | NIL | **[.]** |
| **Total borrowings / equity ratio (b/c)** | NIL | **[.]** |

Note: The shareholders of the Company accorded their consent to the issue and allotment of 65,999 equity shares of Rs 10 each at a price of Rs. 90 (including premium of Rs. 80 per share) per share, for cash, through private placement on a preferential basis to the proposed allottees at the Extraordinary General Meeting (EGM) held on April 30, 2018. On May 14, 2018, pursuant to allotment of these equity shares, the equity share capital of the Company has increased to 65,83,131 Equity Shares.

The shareholders of the company, at the EGM dated July 28, 2018 accorded their consent to the issuance of the Bonus shares in the proportion of 55 Equity Shares for every 100 Equity Shares held by the members. Consequently, the number of shares has increased from 65,83,131 Equity Shares to 10,203,856 Equity Shares.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION 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 and Restated Standalone Financial Statements beginning on pages [●] and [●], prepared in accordance with the Companies Act, Indian Accounting Standards ("Ind AS"), and the SEBI Regulations, including the schedules, annexures and notes thereto and the reports thereon, included in the section "Financial Statements" beginning on page 150. Until Fiscal 2016, our Company did not have any subsidiaries, associates and joint ventures, and no consolidated financial statements were prepared. In Fiscal 2017 and Fiscal 2018 we carried out certain investments and such investee entities have been considered for the purpose of preparing our Restated Consolidated Financial Statements for the relevant fiscal years in accordance with Ind AS 110.*

*Our financial year ends on March 31, therefore, all references to a particular Fiscal are to the 12-month period ended March 31 of that year, except that Fiscal 2016 refers to the period from September 16, 2015 to March 31, 2016. Unless otherwise indicated, the financial information included herein is based on our Restated Standalone Financial Statements for Fiscal 2016 and Restated Consolidated Financial Statements for Fiscal 2017 and Fiscal 2018, included in this Draft Red Herring Prospectus. For further details, see "Financial Statements" beginning on page 150. Unless the context otherwise requires, in this section, references to "we", "us", "our", or "Company" refers to Xelpmoc Design & Tech Limited on a standalone basis in Fiscal 2016 and on a consolidated basis in Fiscal 2017 and Fiscal 2018.*

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" on page 14 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" on page 16 for a discussion of certain factors that may affect our business, financial condition or results of operations.*

**Overview**

We are a provider of professional and technical consulting services, offering technology services and end-to-end technology solutions and support. Our clients range from entrepreneurs and start-up enterprises to established companies, engaged in e-commerce, transportation and logistics, recruitment, financial services, social networking, and various other industries. We provide a wide range of services, including, mobile and web application development, prototype development, thematic product development and data science and analytics assistance. We grow our portfolio of services and products as the needs of our clients evolve.

We commenced operations in Bengaluru, India, in 2015 and have since serviced enterprises across four states in India. Our business operations may broadly be categorized as technology services, and technology solutions/ products. We also occasionally provide business support to some of our clients to enable them to set-up their operations. We believe we are among the few technology service providers with accessibility to domain experts. We benefit from the expertise and experience of our Promoters and senior management in a range of sectors including financial services, retail, media and entertainment, and business services. We also carry out our operations through our joint venture and associate. For further information, see "*History and Certain Corporate Matters*" on page 122.

Our Company is promoted by Sandipan Chattopadhyay, who has around two decades of experience in the information technology industry, Srinivas Koora, who has over 16 years of experience in the field of accounts and finance and is primarily responsible for devising the strategy for our Company, and Jaison Jose who has been instrumental for the implementation of operational plans, operation strategies, budgets and forecasts at the corporate, regional and business unit level.

In Fiscal 2016, 2017 and 2018 our total income was ₹ 208.33 thousand, ₹ 19,235.47 thousand and ₹ 49,310.38 thousand, respectively. In addition, our EBITDA was ₹ (16,422.88) thousand, ₹ (27,540.99) thousand and ₹

(34,491.92) thousand in Fiscal 2016, 2017 and 2018, with EBITDA margins of (7,882.99)%, (143.18)% and (69.95)%, respectively. Our net worth was ₹ 29,137.37 thousand, ₹ 132,130.96 thousand and ₹ 190,960.03 thousand as of March 31, 2016, 2017 and 2018, respectively.

**Recent Developments**

- Pursuant to a meeting of our Board of Directors on June 25, 2018, our Company disposed of 31.00% of its shareholding in Fortigo Network Xelpmoc Private Limited, for a consideration of ₹ 31,000, with effect from July 2018. As of the date of this Draft Red Herring Prospectus, the Company owns 18.00% of the equity shareholding in Fortigo Network Xelpmoc Private Limited.

- Pursuant to a meeting of our Board of Directors on May 14, 2018, our Company disposed of 17.00% of its shareholding in IFTOSI Jewels Private Limited, for a consideration of ₹ 17,000, with effect from June 16, 2018. As of the date of this Draft Red Herring Prospectus, the Company does not own any equity shareholding in IFTOSI Jewels Private Limited.

- Pursuant to a meeting of our Board of Directors on January 30, 2018, our Company entered into an agreement to purchase 9.75% of the outstanding equity share capital in Snaphunt Pte. Limited, for a consideration of ₹ 738.00 thousand, and to purchase optionally convertible preference shares for a consideration of ₹ 328.00 thousand. As of the date of this Draft Red Herring Prospectus, the Company owns 9.75% of the equity shareholding in Snaphunt Pte. Limited.

- Pursuant to the Master Services Agreement dated January 19, 2018 effective from April 1, 2017, our Company purchased optionally convertible preference shares in Kidsstoppress Media Private Limited for a consideration of ₹ 3,012 thousand, in May 2018.

- Pursuant to a meeting of our Board of Directors on May 14, 2018, our Company allotted 65,999 Equity Shares to certain individuals by way of a preferential issue on May 14, 2018.

- Pursuant to a meeting of our Board of Directors on July 27, 2018, our Company allotted 3,620,725 Equity Shares on July 28, 2018, pursuant to a bonus issue, to holders of Equity Shares as of July 27, 2018.

For further information, see "*History and Certain Corporate Matters*" and "*Capital Structure*" on pages 122 and 73 of this Draft Red Herring Prospectus.

**Presentation of Financial Information and Investments**

Our financial year ends on March 31, and all references to a particular Fiscal are to the 12-month period ended March 31 of that year, except that Fiscal 2016 commenced on the date of incorporation and refers to the period from September 16, 2015 to March 31, 2016. Accordingly, our results of operations in Fiscal 2016 (approximately six months) are not comparable to the results of operations in other 12-month fiscal periods.

We have made certain investments in Fiscal 2017 and Fiscal 2018. The results of operations of such investee entities would be reflected in our Restated Consolidated Financial Statements for the relevant fiscal periods only with effect from the effective date of such respective investment, and till such time the investee entities are subsidiaries or associates of our Company.

The following table sets forth certain information relating to the various investments announced in Fiscal 2017 and Fiscal 2018, and where applicable, the closing date of the relevant transaction:

| Sr. No. | Acquisition/ Investment | Transaction Closing Date | Shareholding Acquired | Transaction Consideration | Revenue from Operations of Investee in Fiscal 2018 |
|---|---|---|---|---|---|
| | | | (% of equity shareholding of the investee entity) | (₹) | (₹) |
| 1. | IFTOSI Jewels Private | March 17, | 25.00% - subsequently | 25,000.00 | NA |

| Sr. No. | Acquisition/ Investment | Transaction Closing Date | Shareholding Acquired (% of equity shareholding of the investee entity) | Transaction Consideration (₹) | Revenue from Operations of Investee in Fiscal 2018 (₹) |
|---|---|---|---|---|---|
| | Limited[(1)] | 2017 | diluted to 17.00% as of March 31, 2018, and 0.00% as of June 16, 2018 | | |
| 2. | Fortigo Network Xelpmoc Private Limited | March 17, 2017 | 49.00% | 49,000.00 | 11,025,000.00 |
| 3. | Madworks Ventures Private Limited | February 14, 2018 | 21.74% | 1,155,552.00 | 116,827.00 |

*(1) The Company acquired 25.00% of the equity shareholding of IFTOSI Jewels Private Limited (IFTOSI) on March 17, 2017. IFTOSI was accordingly consolidated as an associate entity for the purpose of preparing consolidated financial statements for Fiscal 2017 in accordance with Ind AS 110. As the Company subsequently diluted its shareholding to 17.00%, IFTOSI was no longer an associate entity under Ind AS 110 and was accordingly not considered for the purpose of preparing consolidated financial statements for Fiscal 2018.*

As a consequence of these investments and changes in shareholding in certain of our investee entities during such periods, our Restated Consolidated Financial Statements relating to such fiscal periods are not comparable to each other.

In this Draft Red Herring Prospectus, we have not included any pro forma profit and loss statement or balance sheet, as applicable, prepared in accordance with the laws and regulations of the United States, India or any other jurisdiction, which would have shown the effect of such investments completed in Fiscal 2017, Fiscal 2018 or those completed subsequent to March 31, 2018, on our historical results of operations and financial condition.

Two of these investee entities were at the time of investment, loss making, and our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus do not reflect the pro forma effect of such losses in the relevant fiscal periods.

**Factors Affecting Results of Operations and Financial Condition**

***Personnel costs and consultancy fees***

A principal component of our ability to compete effectively is our ability to attract and retain qualified employees. Personnel-related costs comprise one of our largest operating expenses. Our number of employees increased to 69 as of June 30, 2018 from 34 as of March 31, 2016. Our expenses towards employee benefits represented 6,494.12%, 164.66%, and 74.05%, of our total income in Fiscal 2016, 2017 and 2018, respectively. Our operations have grown significantly since incorporation and as a result of our investments and growing product portfolio, the number of full-time employees has increased significantly.

We have also invested significantly in engaging independent domain experts as consultants, and as of June 30, 2018, our network of consultants comprised four professionals. Consultancy fees represented 2.87%, 6.61% and 30.69% of our total expenses in Fiscal 2016, 2017 and 2018, respectively, and we expect consultancy fees to grow in line with the size of our operations. We incur costs for new hires associated with the expansion of our operations and client base. To effectively manage personnel costs, we use our offices for multiple purposes, including for research and development and sales and marketing.

***Expansion of client base and new sales to existing clients***

Client relationships are the core of our business, and as of June 30, 2018, we serviced 23 clients. We believe we have a substantial opportunity to grow our client base, and have invested, and intend to continue to make investments to improve our marketing initiatives, to build our network within key industry verticals. We have recently engaged dedicated resources for marketing and sales and intend to continue to increase our employee base for business development activities, as we further expand our operations.

In addition, our ability to grow our client base and drive market adoption of our services and solutions is also affected by the pace at which organizations digitally transform. We believe the degree to which prospective clients recognize the need for our services and solutions to maximize their business process would lead to a higher budget allocation for 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 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. We believe that our ability to strengthen our existing client relationships will be an important factor in our future growth.

***Our ability to provide new services and enhance existing services***

The requirements of our clients vary across a broad range of industries and markets. To service and grow our relationships with our existing clients and to forge relationships with potential clients, we must be able to offer services that address their requirements, to anticipate and understand trends in their relevant markets and consistently address their changing and evolving requirements. Leveraging on our present portfolio of clients and expertise in the verticals of our existing clients, we aim to develop new client relationships within these verticals and engage in cross-selling of our services and products. If we are able to successfully develop new services and enhance existing services, we may be able to better serve existing clients and successfully expand our client base.

**Significant Accounting Policies**

**Principles of Consolidation**

The Restated Consolidated Financial Statements are prepared in accordance with Indian Accounting Standard 110 "Consolidated financial statements" and Indian Accounting Standard 28 "Investments in Associates and Joint Ventures" as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable.

**Joint Venture:** A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement and 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 exist are similar to those necessary to determine control over the subsidiaries.

**Associate:** An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The Company's investments in its joint venture and associate are accounted for using the equity method. Under the equity method, the investment in a joint venture and associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture and associate since the acquisition date.

Disclosure relating to entities consolidated in the restated consolidated financial statements:

**Joint Venture considered for consolidation:**

| Name of the Joint Venture | Country of Incorporation | Nature of business | Ownership interest as at 31 March 2018 | Ownership interest as at 31 March 2017 |
|---|---|---|---|---|
| Fortigo Network Xelpmoc Pvt. Ltd. | India | The company is engaged in providing software development services and IT enabled services. | 49% | Nil |

**Associates considered for consolidation**

| Name of the Associate | Country of Incorporation | Nature of business | Ownership interest as at 31 March 2018 | Ownership interest as at 31 March 2017 |
|---|---|---|---|---|
| IFTOSI Jewels Pvt. Ltd. | India | The company is engaged in the business of providing online market place for diamond solitaires, fine jewellery and bullion purchases. | 17% | 25% |
| Madworks Ventures Pvt. Ltd. | India | The company is involved in the business of developing, designing, maintaining and selling internet / web / mobile / tabloid based applications (popularly known as "apps") | 21.74% | Nil |

**Fortigo Network Xelpmoc Pvt. Ltd.** We acquired 49,000 ordinary shares of ₹ 1 each of Fortigo Network Xelpmoc Private Limited on 17 March 2017. The shares were acquired at par value. Post this acquisition we hold 49% of the equity share capital of the investee company (31 March 2017: Nil, 31 March 2016: Nil)

**IFTOSI Jewels Pvt. Ltd.** We disposed of 800 ordinary shares of IFTOSI Jewels Private Limited on 31 March 2018. The shares were disposed at cost price resulting in no profit or gain. Subsequent to this disposal, our holding in the investee is reduced to 17% (31 March 2017: 25%, 31 March 2016: Nil)

**Madworks Ventures Pvt. Ltd.** We acquired 15,204 ordinary shares of Re. 10 each and 57,018 convertible preference shares of ₹10 each of Madworks Ventures Private limited on 14 February 2018. The shares were acquired at par value. The preference shares have the same voting rights on as if converted basis as per the shareholder agreement and hence the same are treated at par with equity by the company. Post this acquisition we hold 21.74 % of the share capital of the investee company on a fully diluted basis (31 March 2017: Nil, 31 March 2016: Nil)

**Investment in Joint Ventures (JV) and Associates.** We have accounted investment in the JV and associates in the consolidated financial statements using the equity method. Under the equity method, the investment in JV and associate is initially recognized at cots. The carrying amount of the investment is adjusted to recognize changes in the share of net assets of the JV and associate since the acquisition date. Goodwill relating to the JV and associate 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 JV and associates. Any change in OCI of those investees is presented as part of the OCI. In addition, when there has been a change recognized directly in the equity of the associate, we recognize our share of any changes, when applicable in the statement of changes in equity.

Gains and losses arising from transactions between us and our associate and JV are recognized in the consolidated financial statements only to the extent of unrelated investors' interest in the associate and JV.

**Measurement of fair values.** A number of our accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. We have an established control framework with respect to the measurement of fair values.

We regularly review significant unobservable inputs and valuation adjustments. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level I: quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2: inputs other than quoted prices included in Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, we use observable market data as far as possible. If the inputs used to measure the fair value of and asset or liability fall into different levels of the fair value hierarchy, then the

fair value measurement is categorized in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

We recognize transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in – Fair Value Measurements (Note: 30 Financial Instruments - Fair values and risk management)

**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 realized or intended to be sold or consumed in normal operating cycle; held primarily for the purpose of trading; expected to be realized within twelve months after the reporting period; or 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: It is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. We classify 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. We have identified twelve months as our operating cycle.

**Non-Current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

**Impairment**

***Financial assets.*** Loss allowances are recognized using the expected credit loss (ECL) model for the financial assets which are not fair valued through the statement of profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit or loss. Time barred dues from the government/ government departments/ government companies are generally not considered as increase in credit risk of such financial asset.

***Non- financial assets.*** We assess at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the statement of profit and loss.

Non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date 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 that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, we review at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made 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.

**Financial instruments**

***Recognition and initial measurement.*** All financial assets are recognized on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the time frame established by the market concerned. Financial assets or financial liabilities are initially measured at fair value, plus transaction costs, except for those financial assets and liabilities which are classified as at fair value through profit or loss (FVTPL) at inception.

***Classification of financial assets.*** We classify our financial assets in the following measurement categories: those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether an irrevocable election was made at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. We reclassify debt investments when and only when the business model for managing those assets changes.

***Measurement.*** At initial recognition, a financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Debt Instruments**. Subsequent measurement of debt instruments depends on the business model for managing the asset and the cash flow characteristics of the asset. We classify debt instruments as:

- Amortized cost: Debt Instruments that are held for collection of contractual cash flows where those cash Flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Debt instrument at FVTOCI: A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met: (i) the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and (ii) the asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, we recognize interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- Debt instrument at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, we may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**Equity Instruments.** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, we have made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. We make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If we decide to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, we may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value. All changes in fair value including dividend are recognized in the statement of profit and loss.

**Trade receivables.** Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expect to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business if longer), they are classified as current assets otherwise as non-current assets. Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 18 (or when the entity applies the practical expedient) or pricing adjustments embedded in the contract. Loss allowance for expected life time credit loss is recognized on initial recognition.

**Trade and other payables**. These amounts represent liabilities for goods and services provided to us. Trade and other payables are presented as current liabilities if payment is due within 12 months after the reporting period otherwise as non-current. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

***Derecognition of financial assets.*** We derecognize a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which we neither transfer nor retain substantially all of the risks and rewards of ownership and do not retain control of the

financial asset. If we enter into transactions whereby we transfer assets recognized on the balance sheet, but retain either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

***Derecognition of financial liabilities.*** We derecognize a financial liability when contractual obligations are discharged or cancelled, or expire. We also derecognize a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the statement of profit or loss.

***Offsetting.*** Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, we currently have a legally enforceable right to set off the amounts and intend either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

***Reclassification.*** We determine the classification of financial assets and liabilities on initial recognition. After initial recognition no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL.

**Revenue**

***Sale of Services.*** Revenue from services is recognized over the period of the contract. Revenue is recognized to the extent that it is probable that economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from services comprises income from time & material and fixed price contracts. Revenue with respect to time and material contracts is recognized when the related services are performed. Revenue from fixed price contracts is recognized over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion.

Losses on such contracts are recognized when probable. Revenue in excess of billings is recognized as unbilled revenue in the balance sheet; to the extent billings are in excess of revenue recognized, the excess is reported as unearned and deferred revenue in the balance sheet.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to the management.

***Other Income.*** Dividend income is recognized when the right to receive the payment is established, which is generally when shareholders approve the dividend. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

**Foreign currencies**

Transactions in foreign currencies are initially recorded at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of monetary items at the closing rates are recognized as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. 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.

**Income tax**

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or other comprehensive income.

***Current tax.*** Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

***Deferred tax.*** Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax is not recognized for: temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss at the time of the transaction; temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets unrecognized or recognized are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which it is expected, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. We offset the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to the items recognized in other comprehensive income or direct equity. In this case, the tax is also recognized in other comprehensive income or direct equity, respectively.

***Minimum Alternate Tax (MAT).*** Minimum Alternate Tax (MAT) credit is recognized as deferred asset only when it is probable that taxable profit will be available against which the credit can be utilized. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss account. The same is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that we will pay normal income tax during the specified period.

**Provision, contingent liabilities and contingent assets**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a 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. When some or all of a provision is expected to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a

pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

***Onerous Contracts.*** Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

***Contingencies.*** Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

**Employee benefits**

***Short-term employee benefits.*** All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the employee renders the related service.

***Post- employee benefits.***

**Defined Contribution Plans.** A defined contribution plan is post-employee benefit plan under which an entity pays a fixed contribution to a separate entity and will have no legal or constructive obligation to pay further amounts. Specified monthly contributions are made towards provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expenses in the statement of profit and loss in the periods during which the related services are rendered by employees.

**Defined Benefit Plans.**

***Gratuity.*** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset, the same is recognized to the extent of the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. Net interest expense (income) on the net defined benefit liability (asset) for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. Gains and losses on the settlement of a defined benefit plan are recognized when the settlement occurs.

***Other long-term employee benefits***

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined

based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

**Principal Components of Income and Expenditure**

**Income**

Our total income consists of revenue from operations and other income.

***Revenue from Operations***

Revenue from operations includes revenue from sale of services. Revenue from services is recognized over the period of the contract. Revenue is recognized to the extent that it is probable that economic benefits will flow and the revenue can be reliably measured.

***Other Income***

Other income primarily includes interest income, net gain on foreign currency transactions and translations, and fair value gain on equity instruments measured at fair value through profit or loss.

**Expenses**

Our expenses consist primarily of employee benefit expenses, finance costs, depreciation and amortization expenses and other expenses.

***Employee Benefit Expenses***

Employee benefit expenses include salaries and wages, contribution to provident and other funds, and staff welfare expenses. Given our business, employee benefit expenses represent our most significant operating expense.

***Finance Costs***

Finance costs include interest expenses, in particular interest on tax deducted at source.

***Depreciation and Amortization***

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value or on straight line basis based on the management estimates of benefits to be derived from its tangible assets. Depreciation for assets purchased / sold during the period is proportionately charged. Depreciation is calculated pro-rata from/to the date of addition/ deletion.

***Other Expenses***

Other expenses include expenses relating to consultancy fees, rent for lease of office facilities, travelling and conveyance, communication expenses, and provision for credit losses, among others.

**Results of Operations**

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

| Particulars | Fiscal 2016(#) | | Fiscal 2017(#) | | Fiscal 2018(#) | |
|---|---|---|---|---|---|---|
| | Amount | Percentage of total income | Amount | Percentage of total income | Amount | Percentage of total income |
| | (₹ thousand) | (%) | (₹ thousand) | (%) | (₹ thousand) | (%) |
| **Income** | | | | | | |
| Revenue from Operations | 208.33 | 100.00% | 18,838.96 | 97.94% | 48,700.34 | 98.76% |
| Other Income | - | - | 396.51 | 2.06% | 610.04 | 1.24% |
| **Total Income** | **208.33** | **100.00%** | **19,235.47** | **100.00%** | **49,310.38** | **100.00%** |
| Expenses | | | | | | |
| Employee benefits expense | 13,529.20 | 6,494.12% | 31,673.03 | 164.66% | 36,512.90 | 74.05% |
| Finance Costs | - | - | 54.31 | 0.28% | 34.94 | 0.07% |
| Depreciation and amortization expense | 299.62 | 143.82% | 909.28 | 4.73% | 729.69 | 1.48% |
| Other Expenses | 3,102.01 | 1,488.99% | 15,078.44 | 78.39% | 47,620.40 | 96.57% |
| **Total Expenses** | **16,930.83** | **8,126.93%** | **47,715.05** | **248.06%** | **84,897.92** | **172.17%** |
| **Profit before share of net profit of associates and joint ventures accounted using equity method and tax** | **-** | **-** | **(28,479.58)** | **(148.06)%** | **(35,587.54)** | **(72.17)%** |
| **Share of net profit of associates and joint ventures accounted using equity method** | **-** | **-** | **(25.00)** | **(0.13)%** | **331.00** | **0.67%** |
| **Profit before tax** | **(16,722.49)** | **(8,026.92)%** | **(28,504.58)** | **(148.19)%** | **(35,256.54)** | **(71.50)%** |
| **Tax Expense** | | | | | | |
| Deferred tax (credit)/ charge | 7.95 | 3.82% | 54.74 | 0.28% | (224.20) | (0.45)% |
| **Total Tax Expense** | **7.95** | **3.82%** | **54.74** | **0.28%** | **(224.20)** | **(0.45)%** |
| **Profit (loss) for the period from continuing operations** | **-** | **-** | **(28,559.32)** | **(148.47)%** | **(35,032.34)** | **(71.04)%** |
| **Profit (loss) from discontinued operations** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Profit for the Year** | **(16,730.44)** | **(8,030.74)%** | **(28,559.32)** | **(148.47)%** | **(35,032.34)** | **(71.04)%** |
| **Other comprehensive income** | | | | | | |
| Items that will not be reclassified to profit or loss | | | | | | |
| Remeasurements of defined benefit plans | - | - | (146.28) | (0.76)% | (677.05) | (1.37)% |
| Income tax effect | - | - | 38.03 | 0.20% | 176.03 | 0.36% |
| Net (loss)/ gain on FVTOCI equity securities | 36,645.70 | 17,590.22% | 137,379.95 | 714.20% | (362.35) | (0.73)% |
| Income tax effect | (9,527.88) | (4,573.46)% | (35,718.79) | (185.69)% | 94.21 | 0.19% |
| Total comprehensive income for the year | 10,387.38 | 4,986.02% | 72,993.60 | 379.47% | (35,801.49) | (72.60)% |

*# The financial information used in this table for Fiscal 2016 has been derived from the Restated Standalone Financial Statements and for Fiscal 2017 and Fiscal 2018 has been derived from the Restated Consolidated Financial Statements.*

The following table sets forth certain information with respect to our Earnings before Interest, Taxes, Depreciation and Amortization Expenses (EBITDA) for the periods indicated:

| Particulars | Fiscal 2016(#) | | Fiscal 2017(#) | | Fiscal 2018(#) | |
|---|---|---|---|---|---|---|
| | Amount | Percentage of total income | Amount | Percentage of total income | Amount | Percentage of total income |
| | (₹ thousand) | (%) | (₹ thousand) | (%) | (₹ thousand) | (%) |
| Earnings Before Interest, Taxes Depreciation and Amortization (EBITDA) | 208.33 | (7,882.99)% | 19,235.47 | (143.18)% | 49,310.38 | (69.95)% |

*# The financial information used in this table for Fiscal 2016 has been derived from the Restated Standalone Financial Statements and for Fiscal 2017 and Fiscal 2018 has been derived from the Restated Consolidated Financial Statements.*

**Fiscal 2018 compared to Fiscal 2017**

*In Fiscal 2017, we acquired 25.00% of the shareholding in IFTOSI. In Fiscal 2018, we (i) diluted our shareholding in IFTOSI to 17.00%; and (ii) acquired 49.00% of the equity shareholding in Fortigo Network Xelpmoc Private Limited and 21.74% of the equity shareholding in Madworks Ventures Private Limited.*

*Accordingly, IFTOSI was considered to be an associate entity under Ind AS 110 for the purpose of preparing our Restated Consolidated Financial Statements for Fiscal 2017, while Fortigo Network Xelpmoc Private Limited and Madworks Ventures Private Limited were considered to be associate entities under Ind AS 110 for the purpose of preparing our Restated Consolidated Financial Statements for Fiscal 2018.*

**Income**

Total income increased by 156.35% from ₹ 19,235.47 thousand in Fiscal 2017 to ₹ 49,310.38 thousand in Fiscal 2018. The increase in total income reflects the growth in our existing businesses due to reasons mentioned below.

*Revenue from Operations*

Revenue from operations increased by 158.51% from ₹ 18,838.96 thousand in Fiscal 2017 to ₹ 48,700.34 thousand in Fiscal 2018. The increase in revenue from operations was attributable to an increase in sale of services including data technology services and PWA implementation primarily driven by an increase in mandates as result of a growing client base. Our client base increased from four clients as of March 31, 2017 to 12 clients as of March 31, 2018.

In addition, we acquired 49.00% equity shareholding in Fortigo Network Xelpmoc Private Limited and 21.74% equity shareholding in Madworks Ventures Private Limited during Fiscal 2018.

| Sr. No. | Acquisition/ Investment | Transaction Closing Date | Shareholding Acquired | Transaction Consideration | Revenue from Operations of Investee in Fiscal 2018 | EBITDA of Investee in Fiscal 2018 |
|---|---|---|---|---|---|---|
| | | | (% of equity shareholding of the investee entity) | (₹) | (₹) | (₹) |
| **1.** | Fortigo Network Xelpmoc Private Limited | March 17, 2017 | 49.00% | 49,000.00 | 11,025,000.00 | 1,097,059.00 |
| **2.** | Madworks Ventures Private Limited | February 14, 2018 | 21.74% | 1,155,552.00 | 116,827.00 | (818,513) |

*Other Income*

Other income increased by 53.85% from ₹ 396.51 thousand in Fiscal 2017 to ₹ 610.04 thousand in Fiscal 2018. As a percentage of total income, other income was 2.06% in Fiscal 2017 as compared to 1.24% in Fiscal 2018. Other income primarily consisted of net gain on foreign currency transactions and translations that increased from no such income in Fiscal 2017 to ₹ 226.94 thousand in Fiscal 2018, as a result of change in exchange rate. This was partially offset by a decrease in interest income by 3.38% from ₹ 396.51 thousand in Fiscal 2017 to ₹ 383.10 thousand in Fiscal 2018, as a result of decrease in miscellaneous income which was due to excess provision during Fiscal 2017.

**Expenses**

Total expenses increased by 77.93% from ₹ 47,715.05 thousand in Fiscal 2017 to ₹ 84,897.92 thousand in Fiscal

2018. As a percentage of total income, total expenses were 172.17% in Fiscal 2018 as compared to 248.06% in Fiscal 2017.

*Employee Benefit Expenses*

Employee benefits expenses increased by 15.28% from ₹ 31,673.03 thousand in Fiscal 2017 to ₹ 36,512.90 thousand in Fiscal 2018.

The increase in employee benefit expenses was primarily attributable to increase in salaries and wages of our employees and corresponding increase in contribution to provident fund and other funds. This increase can be attributed primarily to increase in headcount from 50 employees as of March 31, 2017 to 64 employees as of March 31, 2018 driven by organic business growth and wage inflation.

Salaries and wages increased by 13.44% from ₹ 30,864.10 thousand in Fiscal 2017 to ₹ 35,011.80 thousand in Fiscal 2018, while contribution to provident fund and other funds increased from ₹ 61.97 thousand in Fiscal 2017 to ₹ 699.09 thousand in Fiscal 2018. Staff welfare expenses also increased by 7.37% from ₹ 746.96 thousand in Fiscal 2017 to ₹ 802.00 thousand in Fiscal 2018.

*Finance Costs*

Finance costs decreased by 35.67% from ₹ 54.31 thousand in Fiscal 2017 to ₹ 34.94 thousand in Fiscal 2018. As a percentage of total income, finance costs remained relatively insignificant, at 0.28% and 0.07% in Fiscal 2017 and Fiscal 2018, respectively. The decrease in finance costs in Fiscal 2017 was a result of decreased interest paid on tax deducted at source.

*Depreciation and Amortization Expenses*

Depreciation and amortization expenses decreased by 19.75% from ₹ 909.28 thousand in Fiscal 2017 to ₹ 729.69 thousand in Fiscal 2018, comprising of depreciation and amortization of property, plant and equipment. As a percentage of total income, depreciation and amortization costs were 4.73% and 1.48% in Fiscal 2017 and Fiscal 2018, respectively.

*Other Expenses*

Other expenses increased by 215.82% from ₹ 15,078.44 thousand in Fiscal 2017 to ₹ 47,620.40 thousand in Fiscal 2018. The significant increase in other expenses is on account of growth in our operations for reasons mentioned below. As a percentage of total income, other expenses were 78.39% and 96.57%, in Fiscal 2017 and Fiscal 2018, respectively.

Rental expenses increased significantly by 117.71% from ₹ 1,700.24 thousand in Fiscal 2017 to ₹ 3,701.63 thousand in Fiscal 2018. This increase was primarily due to the opening of new offices in Kolkata and Bangalore.

Our travelling and conveyance expenses increased significantly by 175.00% from ₹ 1,956.90 thousand in Fiscal 2017 to ₹ 5,381.53 thousand in Fiscal 2018 due to increased spending by our Company towards creating more brand awareness and developing relationships with the potential clients.

Our consultancy fees increased significantly from ₹ 3,154.75 thousand in Fiscal 2017 to ₹ 26,051.10 thousand in Fiscal 2018, due to an increase in number of consultants we engaged, as a result of an increase in the number of projects we were assigned in Fiscal 2018.

**Profit (loss) before share of net profit of associates and joint ventures accounted using equity method and tax**

For the reasons discussed above, restated loss before share of net profit of associates and joint ventures accounted using equity method and tax was ₹ 28,479.58 thousand in Fiscal 2017 compared to ₹ 35,587.54 thousand in Fiscal 2018.

**Profit (loss) before tax**

Share of net profit of associates and joint ventures accounted using equity method and tax was ₹ 331.00 thousand in Fiscal 2018, compared to ₹ (25.00) thousand in Fiscal 2017. As a result, loss before tax increased by 23.69% from ₹ 28,504.58 thousand in Fiscal 2017 to ₹ 35,256.54 thousand in Fiscal 2018.

**Tax expense**

Our tax expense comprised of deferred tax, and total tax expense decreased from ₹ 54.74 thousand in Fiscal 2017 to a credit of ₹ 224.20 thousand in Fiscal 2018.

**Profit (loss) for the year**

For the reasons discussed above, restated loss for the year was ₹ 35,032.34 thousand in Fiscal 2018, compared to restated loss for the year of ₹ 28,559.32 thousand in Fiscal 2017.

**Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**

For the reasons discussed above, our EBITDA decreased by 25.24% from ₹ (27,540.99) thousand in Fiscal 2017 to ₹ (34,491.92) thousand in Fiscal 2018. Our EBITDA margin was (69.95)% in Fiscal 2018 as compared to (143.18)% in Fiscal 2017.

**Fiscal 2017 compared to Fiscal 2016**

*Fiscal 2016 refers to the period from September 16, 2015, i.e. date of incorporation, to March 31, 2016, while Fiscal 2017 refers to the twelve months ended March 31, 2017. Further, until Fiscal 2016, our Company did not have any subsidiaries, associates and joint ventures, and no consolidated financial statements were prepared. In Fiscal 2017, we acquired 25.00% of the shareholding in IFTOSI Jewels Private Limited which was considered as an associate for the purpose of preparing the Restated Consolidated Financial Statements for Fiscal 2017.*

*Accordingly, our results of operations in Fiscal 2016 are not comparable to that in Fiscal 2017 not only due to the difference in the length of the fiscal period but also since our consolidated results of operations in Fiscal 2017 includes the consolidated results of operations of IFTOSI Jewels Private Limited with effect from the relevant acquisition date.*

**Income**

Total income was ₹ 208.33 thousand in Fiscal 2016 compared to ₹ 19,235.47 thousand in Fiscal 2017.

*Revenue from Operations*

Revenue from operations was ₹ 208.33 thousand in Fiscal 2016 compared to ₹ 18,838.96 thousand in Fiscal 2017. The increase in revenue from operations reflects growth in our existing business and client base. Our client base increased from two clients as of March 31, 2016 to four clients as of March 31, 2017.

In addition, we acquired 25.00% equity shareholding in IFTOSI Jewels Private Limited during Fiscal 2017.

| Sr. No. | Acquisition/ Investment | Transaction Closing Date | Shareholding Acquired | Transaction Consideration | Revenue from Operations of Investee in Fiscal 2017 | EBITDA of Investee in Fiscal 2017 |
|---|---|---|---|---|---|---|

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | **(% of equity shareholding of the investee entity)** | **(₹)** | **(₹)** | **(₹)** |
| **1.** | IFTOSI Jewels Private Limited | March 17, 2017 | | 25.00% - subsequently diluted to 17.00% as of March 31, 2018 and 0.00% as of June 16, 2018 | 25,000.00 | 374,175.00 | 1,156,209.00 |

*Other Income*

Other income was ₹ 396.51 thousand in Fiscal 2017, while there was no such income in Fiscal 2016. Other income primarily consisted of interest income from loan given to other corporates which was ₹ 396.51 thousand in Fiscal 2017.

**Expenses**

Total expenses was ₹ 16,930.83 thousand in Fiscal 2016 compared to ₹ 47,715.05 thousand in Fiscal 2017.

*Employee Benefit Expenses*

Employee benefits expenses was ₹ 13,529.20 thousand in Fiscal 2016 compared to ₹ 31,673.03 thousand in Fiscal 2017.

Employee benefit expenses primarily comprise salaries and wages of our employees and contribution to provident fund and other funds. The increase can be partly attributed to increase in headcount to 50 employees as of March 31, 2017 compared to 34 employees as of March 31, 2016, driven by organic business growth and wage inflation.

Salaries and wages was ₹ 13,366.90 thousand in Fiscal 2016 compared to ₹ 30,864.10 thousand in Fiscal 2017, while contribution to provident fund and other funds was ₹ 61.97 thousand in Fiscal 2017 compared to no such expense in Fiscal 2016. Staff welfare expenses was ₹ 162.30 thousand in Fiscal 2016 compared to ₹ 746.90 thousand in Fiscal 2017.

*Finance Costs*

Finance cost was ₹ 54.31 thousand in Fiscal 2017 compared to no such expense in Fiscal 2016. Finance costs in Fiscal 2017 was primarily attributable to interest paid on tax deducted at source.

*Depreciation and Amortization Expenses*

Depreciation and amortization expenses was ₹ 299.62 thousand in Fiscal 2016 compared to ₹ 909.28 thousand in Fiscal 2017, comprising of depreciation and amortization of property, plant and equipment. As a percentage of total income, depreciation and amortization costs were 143.82% and 4.73% in Fiscal 2016 and Fiscal 2017, respectively.

*Other Expenses*

Other expenses was ₹ 3,102.01 thousand in Fiscal 2016 compared to ₹ 15,078.44 thousand in Fiscal 2017. Other expenses primarily comprised rent expenses, travelling and conveyance expenses, communication charges, and consultancy fees.

Rent expenses was ₹ 597.33 thousand in Fiscal 2016 compared to ₹ 1,700.24 thousand in Fiscal 2017.

Our travelling and conveyance expenses was ₹ 193.53 thousand in Fiscal 2016 compared to ₹ 1,956.90 thousand in

Fiscal 2017, and largely comprises expenses towards brand building and business development.

Our communication charges was ₹ 724.55 thousand in Fiscal 2016 compared to ₹ 3,751.77 thousand in Fiscal 2017.

Our consultancy fees was ₹ 485.10 thousand in Fiscal 2016 compared to ₹ 3,154.75 thousand in Fiscal 2017, and represents remuneration paid to domain experts we engage as independent consultants.

**Profit (loss) before share of net profit of associates and joint ventures accounted using equity method and tax**

For the reasons discussed above, restated loss before share of net profit of associates and joint ventures accounted using equity method and tax was ₹ 28,479.58 thousand in Fiscal 2017.

**Profit (loss) before tax**

For the reasons discussed above, loss before tax was ₹ 16,722.49 thousand in Fiscal 2016 compared to ₹ 28,504.58 thousand in Fiscal 2017.

**Tax expense**

Our tax expense comprised of deferred tax, and total tax expense was ₹ 7.95 thousand in Fiscal 2016 compared to ₹ 54.74 thousand in Fiscal 2017.

**Profit (loss) for the year**

For the reasons discussed above, restated loss for the year was ₹ 16,730.44 thousand in Fiscal 2016, compared to restated loss for the year of ₹ 28,559.32 thousand in Fiscal 2017.

**Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**

For the reasons discussed above, our EBITDA was ₹ (16,422.88) thousand in Fiscal 2016 compared to ₹ (27,540.99) thousand in Fiscal 2017. Our EBITDA margin was (7,882.99)% in Fiscal 2016, as compared to (143.18)% in Fiscal 2016.

**Liquidity and Capital Resources**

Historically, our primary liquidity requirements have been to fund our working capital requirements, capital expenditure and investments. We have funded these primarily through cash generated from operations and through share issuances.

We expect to meet our working capital, planned capital expenditure and investments for the next 24 months primarily from the cash flows from business operations, borrowings from banks and financial institutions and the proceeds of this Issue.

**Cash Flows**

The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated:

**(₹ in thousand)**

| Particulars | Fiscal 2016(#) | Fiscal 2017(#) | Fiscal 2018(#) |
|---|---|---|---|
| Net cash generated from/(used in) operating activities | 21,518.35 | 106,853.69 | (47,683.49) |
| Net cash generated from/(used in) investing activities | (40,080.36) | (140,112.15) | (22,073.69) |
| Net cash generated from/(used in) the financing activities | 20,274.99 | 33,617.37 | 89,399.24 |
| **Net increase/(decrease) in cash and cash equivalents** | 1,712.98 | 358.91 | 19,642.06 |

*# The financial information used in this table for Fiscal 2016 has been derived from the Restated Standalone Financial Statements and for Fiscal 2017 and Fiscal 2018 has been derived from the Restated Consolidated Financial Statements.*

***Operating Activities***

*Fiscal 2018*

Cash used in operating activities was ₹ 47,683.49 thousand and the operating cash flows before working capital changes was ₹ (32,131.36) thousand. The change in working capital amounted to ₹ (10,371.26) thousand, primarily due to increase in trade receivables of ₹ 15,011.82 thousand, which was partially offset by increase in other financial liabilities of ₹ 2,307.04 thousand.

*Fiscal 2017*

Cash used in operating activities was ₹106,853.69 thousand and the operating cash flows before working capital changes was ₹109,378.17 thousand. The change in working capital amounted to ₹ (2,176.67) thousand, primarily due to increase in trade receivables of ₹ 4,480.29 thousand, which was partially offset by an increase in other current financial liabilities of ₹ 3,059.98 thousand.

*Fiscal 2016*

Cash from operating activities was ₹ 21,518.35 thousand and the operating cash flows before working capital changes was ₹ 20,222.83 thousand. The change in working capital amounted to ₹ 1,295.53 thousand, primarily due to increase in trade payables of ₹ 624.46 thousand, and increase in other current liabilities of ₹ 772.11 thousand.

***Investing Activities***

*Fiscal 2018*

Cash used in investing activities was ₹ 22,073.69 thousand, primarily on account of purchase of investments of ₹ 17,386.06 thousand in Fortigo Network Xelpmoc Private Limited and Madworks Ventures Private Limited, and purchase of property, plant and equipment of ₹ 2,936.83 thousand.

*Fiscal 2017*

Cash used in investing activities was ₹ 140,112.15 thousand, primarily on account of purchase of investments of ₹ 137,411.57 thousand in IFTOSI Jewels Private Limited.

*Fiscal 2016*

Cash used in investing activities was ₹ 40,080.36 thousand, primarily on account of purchase of investments of ₹ 36,689.65 thousand.

***Financing Activities***

*Fiscal 2018*

Cash from financing activities was ₹ 89,399.24 thousand, which primarily comprised proceeds from issue of shares of ₹ 94,630.56 thousand, and borrowings from directors of ₹ 10,503.62 thousand. This was partially offset by repayment of loans of ₹ 15,700.00 thousand.

*Fiscal 2017*

Cash from financing activities was ₹ 33,617.37 thousand which primarily consisted of proceeds from issue of shares of ₹ 29,999.99 thousand, and borrowings from directors of ₹ 5,196.38 thousand. This was marginally offset by repayment of loans of ₹ 1,525.00 thousand.

*Fiscal 2016*

Cash from financing activities was ₹ 20,274.99 thousand which primarily consisted of issue of shares of ₹ 18,749.99 thousand and borrowing from directors of ₹ 1,525.00 thousand.

**Indebtedness**

As of March 31, 2018, we did not have any outstanding indebtedness.

**Contractual Obligations and Commitments**

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2018, aggregated by type of contractual obligation:

| Particulars | As of March 31, 2018 | | | |
|---|---|---|---|---|
| | Payment due by period | | | |
| | Total | Less than 1 year | 1 – 5 years | More than 5 years |
| | (₹ thousand) | | | |
| Obligations under capital leases | - | - | - | - |
| Capital commitments | - | - | - | - |
| Non-cancellable operating lease obligations | 9,078.17 | 4,480.14 | 4,598.02 | - |
| Short-term borrowings | - | - | - | - |
| Long-term borrowings | - | - | - | - |
| Trade Payables | 752.20 | 752.20 | - | - |
| **Total Contractual Obligations** | **9,830.37** | **5,232.34** | **4,598.02** | **-** |

**Contingent Liabilities and other Off-Balance Sheet Arrangements**

As of March 31, 2018, we did not have any contingent liabilities and other 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.

**Historical and Planned Capital Expenditures**

In Fiscal 2016, 2017 and 2018, our capital expenditure (excluding capital advances) was ₹ 1,390.71 thousand, ₹ 700.58 thousand and ₹ 2,936.83 thousand, respectively.

We believe that our capital expenditures in Fiscal 2019 will be financed by funds generated from operations, borrowings as well as the proceeds from the Issue. Our actual capital expenditures may be significantly higher or lower than these planned amounts, or the timing of such expenditures may change, due to various factors, including, among others, changes in macroeconomic conditions, unplanned cost overruns and our ability to generate sufficient cash flows from operations.

**Related Party Transactions**

We enter into various transactions with related parties in the ordinary course of business. Primarily these transactions include travelling and conveyance, business promotion expenses, expenses reimbursed by and to other companies, rental income, and remuneration to Directors and KMPs. For further details relating to our related party transactions, see "*Note 26 – Related Party Transactions*" of our Restated Consolidated Financial Statements on page 194.

**Quantitative and Qualitative Disclosures about Market Risk**

We are exposed to various types of market risks in the ordinary course of business, including credit risks and liquidity risks.

***Credit Risk***

We are exposed to credit risk on amounts owed to us by our clients. If our clients do not pay us promptly, or at all, it may impact our working capital cycle and/or we may have to make provisions for or write-off on such amounts. In Fiscal 2016, 2017 and 2018, our trade receivables were ₹ 208.33 thousand, ₹ 4,688.63 thousand and ₹ 15,917.40 thousand, respectively.

***Liquidity Risk***

Liquidity risk arises from the absence of liquid resources, when funding loans to other corporates. This could be due to a decline in expected collection, or our inability to raise adequate resources at an appropriate price. This risk may be minimized through a mix of strategies, including the maintenance of back-up bank credit lines, having diversified sources for funding both long term and short term loans and following a forward looking borrowing program based on projected loans and maturing obligations.

**Unusual or Infrequent Events or Transactions**

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

**Segment Reporting**

Other than as disclosed in our Restated Consolidated Financial Statements, we do not follow any other segment reporting.

**Significant Dependence on Clients**

Revenues from any particular client may vary between financial reporting periods depending on the nature and term of ongoing contracts with such client. We are dependent on a limited number of clients for a substantial portion of our revenues. Our largest client accounted for 100%, 53.08% and 45.94% of our revenue from operations in Fiscal 2016, 2017 and 2018, respectively. Our ten largest clients accounted for approximately 100%, 100% and 98.34% of our revenue from operations in Fiscal 2016, 2017 and 2018, respectively.

**Known Trends or Uncertainties**

Other than as described in this section and in "*Risk Factors*" on page 16, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

**Future Relationship between Cost and Income**

Other than as described in this section, "*Risk Factors*" and "*Our Business*" on pages 16 and 110, respectively, to our knowledge there are no known factors that will have a material adverse impact on our operations and finances.

**Seasonality of Business**

We do not consider our business to be seasonal in nature. However, our quarterly results of operations may fluctuate significantly as a result of a variety of factors, including seasonal trends in the Indian economy. See "*Risk Factors - Most of our revenue is derived from business in India and a decline in economic growth or political instability or changes in the Government in India could adversely affect our business*" on page 35.

**Competitive Conditions**

We operate in a competitive environment. See "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 110, 100 and 16, respectively, for further details on competitive conditions that we face in our business.

**Recent Accounting Pronouncements and Changes in Accounting Policies**

We have historically prepared our financial statements in accordance with Indian GAAP. As required under applicable law, our Company transitioned from Indian GAAP to Ind AS and for the purposes of the transition to Ind AS, we have followed the guidance prescribed under Ind AS 101 – First Time Adoption of Indian Accounting Standards with April 1, 2016 being the transition date.

Further, Ind AS 115 – Revenue from Contracts with Customers was initially notified under the Companies (Indian Accounting Standards) Rules, 2015, and is applicable for financial periods beginning April 1, 2018. The standard applies to contracts with customers, and relates to revenue recognition on transfer of goods or services to customers. Further, the new standard requires certain enhanced disclosures on the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. It also offers a range of transition options, and an entity may apply the new standard to its historical transactions - and retrospectively adjust each comparative period, or an entity may recognize the cumulative effect of applying the new standard at the date of initial application - and make no adjustments to its comparative information. The chosen transition option may have a significant impact on revenue trends in the Restated Consolidated Financial Statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs. We are currently evaluating the requirements of Ind AS 115. For further information, see "*Financial Statements*" on page 150.

Except as disclosed in this Draft Red Herring Prospectus, there have been no changes in our accounting policies in the last three fiscal years/ periods.

**Significant Developments after March 31, 2018 that May Affect our Future Results of Operations**

Except as disclosed in this Draft Red Herring Prospectus, including under " – *Recent Developments*", "*Our Business*" and "*Risk Factors*", to our knowledge no circumstances have arisen since the date of the last financial information disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

## FINANCIAL INDEBTEDNESS

As on date of this Draft Red Herring Prospectus, there are no fund-based or non-fund based, secured or unsecured borrowings availed by our Company.

## SECTION VI – LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Directors, Promoters, or Joint Venture, (ii) actions by any statutory or regulatory authorities involving our Company, Directors, Promoters, or Joint Venture, or (iii) claim involving our Company, Directors, Promoters, or Joint Venture for any direct or indirect tax liabilities, respectively, on a consolidated basis. Further, except as stated in this section, there are no (i) other pending litigations involving our Company, Directors, Promoters, Joint Venture or any other person, as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations, (ii) outstanding dues to creditors of our Company as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations, and (iii) outstanding dues to small scale undertakings and other creditors.*

*With respect to point (i) above, our Board, in its meeting held on July 28, 2018, has adopted a policy for identification of material legal proceedings ("Materiality Policy"). For the purposes of disclosure, pursuant to the SEBI ICDR Regulations and the Materiality Policy, (i) all pending litigation involving our Company, Directors, Promoters, or Joint Venture, in addition to criminal proceedings, taxation matters, and regulatory actions, would be considered 'material', if the monetary amount of claim by or against the entity or person in such proceeding is 2% (or in excess of 2%) of the total restated revenue of the Company as per the Restated Standalone Financial Information for the Financial Year Ended March 31, 2018, being ₹ 1,072.03 thousand , and (ii) pending proceedings involving the abovementioned persons whose outcome may have a bearing on the business, operations, prospects, or reputation of our Company are considered 'material', and disclosed in this Draft Red Herring Prospectus.*

*It is clarified that for the purposes of the above, pre-litigation notices (other than those issued by statutory or regulatory authorities) received by our Company, Directors, Promoters, and our Joint Venture shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of our Directors, Promoters, and our Joint Venture, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.*

*Further, with respect to point (ii) above, our Board, in its meeting held on July 28, 2018, determined that outstanding dues to creditors in excess of 5% of the total outstanding dues of our Company, being ₹ 217.36 thousand as per our Restated Standalone Financial Information for the Financial Year ended March 31, 2018, shall be considered as material dues ("Material Dues"). Details of outstanding dues to creditors including small scale undertakings as required under the SEBI ICDR Regulations have been disclosed on our website at www.xelpmoc.in.*

*Unless stated to the contrary, the information provided in this section is as of the date of this Draft Red Herring Prospectus.*

*All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.*

### I. Litigation involving our Company

### A. Outstanding criminal proceedings involving our Company

**Criminal proceedings against our Company**

NIL

**Criminal proceedings initiated by our Company**

NIL

### B. Pending action by statutory or regulatory authorities against our Company

NIL

**C. Tax proceedings against our Company**

**Direct Tax**

NIL

**Indirect Tax**

NIL

**D. Outstanding litigation involving our Company**

**Civil litigations initiated against our Company**

NIL

**Civil litigations initiated by our Company**

NIL

**E. Outstanding litigation against any other persons whose outcome could have an adverse effect on our Company.**

NIL

**F. Outstanding dues to small scale undertakings or any other creditors**

As per the Materiality Policy, creditors to whom an amount exceeding ₹ 217.36 thousand, which is 5% of the total outstanding dues of our Company as per our Restated Standalone Financial Information for the Financial Year ended March 31, 2018, was outstanding, were considered 'material' creditors. Based on the above there are 3 'material' creditors as on March 31, 2018 to whom an aggregate amount of ₹ 3,719.95 thousand was outstanding. The details of our outstanding dues to creditors, as on March 31, 2018 are as follows:

| Particulars | Number of creditors | Amount outstanding (₹ in thousand) |
|---|---|---|
| Small scale undertakings | NIL | NIL |
| Dues to 'material' creditors | 3 | 3,719.95 |
| Dues to other creditors | 15 | 627.25 |
| **Total** | **18** | **4,347.20** |

Complete details of outstanding dues to our 'material' creditors as on March 31, 2018 are available at the website of our Company, www.xelpmoc.com. 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.xelpmoc.com, would be doing so at their own risk.

**II. Litigation involving our Directors**

**A. Outstanding criminal proceedings involving our Directors**

**Criminal proceedings against our Directors**

NIL

**Criminal proceedings initiated by our Directors**

NIL

**B. Pending action by statutory or regulatory authorities against our Directors**

NIL

**C. Tax proceedings against our Directors**

| Particulars | No. of matters | Total amount involved (₹) |
|---|---|---|
| ***Tushar Trivedi*** | | |
| Tax Proceedings | 4 | 42,790 |

**D. Material outstanding litigation involving our Directors**

**Material civil litigations initiated against our Directors**

NIL

**Material civil litigations initiated by our Directors**

NIL

**III. Litigation involving our Promoters**

**A. Outstanding criminal proceedings involving our Promoters**

**Criminal proceedings against our Promoters**

NIL

**Criminal proceedings initiated by our Promoters**

NIL

**B. Pending action by statutory or regulatory authorities against our Promoters**

NIL

**C. Tax proceedings against our Promoters**

NIL

**D. Outstanding litigation involving our Promoters**

**Civil litigations initiated by our Promoters**

NIL

**Civil litigations initiated by our Promoters**

NIL

**IV. Litigations involving our Joint Venture**

NIL

## V. Material developments since the last balance sheet date

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation – Recent Developments*" on page 281, there have been no developments subsequent to March 31, 2018 that are expected to have a material impact on the reserves, profits, earnings per share and book value of our Company.

## GOVERNMENT AND OTHER APPROVALS

*Our Company can undertake the Issue and our Company, respectively, can undertake its respective current business activities, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Issue or continue such business activities. Unless otherwise stated, these approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see "Key Regulations and Policies" on page 118.*

**Approvals in relation to the Issue**

For the approvals and authorizations obtained by our Company in relation to the Issue, see "*Other Regulatory and Statutory Disclosures – Authority for the Issue*" on page 309.

**I. Approvals in relation to Incorporation of our Company**

1. Certificate of incorporation dated September 16, 2015 issued by the Registrar of Companies, Karnataka, under the Companies Act, 2013.

2. Fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated July 20, 2018 issued by Registrar of Companies, Karnataka under Companies Act, 2013.

**II. Approvals under tax laws**

3. Permanent Account Number (AAACX1880G) dated September 16, 2015 issued by the Income Tax Department, Government of India.

4. Tax Deduction Account Number (BLRX00267B) issued by the Income Tax Department, Government of India.

5. Registration certificate of goods and services tax (29AAACX1880G1Z5) dated September 26, 2017 issued by the Government of India.

6. Profession tax payer enrollment certificate (387723051) dated April 1, 2016 issued by the Karnataka Professional Tax Office, Bengaluru under the Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976.

**III. Approvals in relation to the business operations of our Company**

1. Employee provident fund registration certificate (PYKRP1569243000) dated March 23, 2017 issued by the Employees' Provident Fund Organisation under the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

2. Employee State Insurance Corporation registration certificate (50000499390001099) dated June 21, 2018 issued by the Sub-Regional office, Employees' State Insurance Corporation, Bengaluru under the provisions of Employees' State Insurance Act, 1948.

3. Shops and establishment certificate (19/80/CE/0187/2016) issued by the Senior Labour Inspector – Circle 19 under the provisions of the Karnataka Shops and Commercial Establishments Act, 1961.

**IV. Approvals in relation to intellectual property of our Company**

Our Company has made applications for the registration of the following trademarks under the Trademarks Act, 1999, and the same are pending as on date of this Draft Red Herring Prospectus:

| Sr. No. | Description | Application No. | Class | Date of Application |
|---|---|---|---|---|
| 1. | XELPMOC [Work Mark] | 3856592 | 9 | June 11, 2018 |
| 2. | XELPMOC [Work Mark] | 3856593 | 16 | June 11, 2018 |
| 3. | XELPMOC [Work Mark] | 3856591 | 42 | June 11, 2018 |
| 4. | XELP [Word Mark] | 3912362 | 9 | August 9, 2018 |
| 5. | XELP [Word Mark] | 3912372 | 16 | August 9, 2018 |
| 6. | XELP [Word Mark] | 3912358 | 42 | August 9, 2018 |

**V. Licenses / approvals which have expired and for which renewal applications have been made by our Company.**

NIL

**VI. Licenses / approvals for which applications have been made by our Company**

1. Application for Certificate of Enlistment with the Kolkata Municipal Corporation for our office in West Bengal.

**VII. Licenses / approvals which are required but not yet applied for by our Company**

1. Registration as an employer under the West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979.

**VIII. Licenses / approvals expired for which no application has been made by our Company**

NIL

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Corporate Approvals

- The Board, pursuant to its resolution dated July 23, 2018, authorised the Issue subject to approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013.

- The Shareholders of our Company have, by a special resolution dated July 28, 2018, approved and authorised the Issue and authorised the Board to take decisions in relation to this Issue.

- The Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated August 24, 2018.

- In-principle approval for the listing of our Equity Shares from NSE dated [●].

- In-principle approval for the listing of our Equity Shares from BSE dated [●].

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors and the members of the Promoter Group have not been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which our Promoter or Directors are or were associated as promoters, directors or persons in control have not been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except for our Independent Director, Premal Mehta, who is also director of Wealth First Advisors Private Limited, none of our Directors are associated with entities which are engaged in any securities market related business and are registered with SEBI.

There has been no action taken by SEBI against our Directors or any entity in which our Directors are involved in as promoters or directors.

The listing of any securities of our Company and of our Associate Company have never been refused at any time by any of the stock exchanges in India or abroad.

### Prohibition by RBI

Neither our Company, nor our Promoters, relatives (as defined under the Companies Act) of our Promoters, or Directors have been categorized as wilful defaulters as defined under the SEBI ICDR Regulations. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

### Eligibility for the Issue

Our Company is eligible for the Issue in accordance with the Regulation 26(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers*."

We are an unlisted company not complying with the conditions specified in Regulation 26(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 26(2) of the SEBI ICDR Regulations.

We are complying with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Issue is proposed to be Allotted to QIBs and in the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

We are complying with Regulation 43(2A) of the SEBI ICDR Regulations and Non-Institutional Bidders and Retail Individual Bidders will be allocated not more than 15% and 10% of the Issue, respectively.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be refunded. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Our Company is in compliance with the conditions specified under Regulation 4(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, the entire requirement of funds towards objects of the Issue, will be met from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

**DISCLAIMER CLAUSE OF SEBI**

**AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING ITI CAPITAL LIMITED (FORMERLY KNOWN AS INGA CAPITAL LIMITED) HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE 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, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, ITI CAPITAL LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, ITI CAPITAL LIMITED (FORMERLY KNOWN AS INGA CAPITAL LIMITED) HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 24, 2018 WHICH READS AS FOLLOWS:**

**WE, THE BOOK RUNNING LEAD MANAGERS TO THE FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE**

**FINALISATION OF THE DRAFT RED HERRING PROSPECTUS DATED AUGUST 24, 2018 ("DRHP") PERTAINING TO THE SAID ISSUE.**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

   a. **THE DRHP FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

   b. **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   c. **THE DISCLOSURES MADE IN THE DRHP ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE;</u>**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - <u>NOTED FOR COMPLIANCE.</u>**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP. – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THIS DRHP - <u>COMPLIED WITH AND NOTED FOR COMPLIANCE.</u>**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION**

**SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE.**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH TO THE EXTENT APPLICABLE.**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRHP THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE. IN ACCORDANCE WITH SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE ISSUE SHALL BE ISSUED IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRHP:**

    a. **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**

    b. **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE ISSUE. –NOTED FOR COMPLIANCE.**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. – COMPLIED WITH;**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRHP WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – COMPLIED WITH;**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE), AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR. – COMPLIED WITH;**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY, REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 24, IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRHP, AS CERTIFIED BY JHS & ASSOCIATES LLP, CHARTERED ACCOUNTANTS PURSUANT TO ITS CERTIFICATE DATED AUGUST 24, 2018.**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE). – NOT APPLICABLE.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY OR ANY PERSON WHO HAS AUTHORISED THE ISSUE OF THIS DRAFT RED HERRING PROSPECTUS FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF 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 ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS, THE RED HERRING PROSPECTUS AND THE PROSPECTUS.**

All legal requirements pertaining to the Issue have been complied with by the respective parties at the time of filing of this Draft Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with by the respective parties at the time of registration of the Prospectus with the RoC in terms of Sections 26 and 32 of the Companies Act, 2013.

**Caution - Disclaimer from our Company, our Directors and the BRLM**

Our Company, our Directors and the BRLM 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.xelpmoc.in, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company and the BRLM 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.

None among our Company or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, 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, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and their associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoters, Promoter Group and their respective directors and officers, 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 Promoters, Promoter Group, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

**Price information of past issues handled by the BRLM**

**ITI Capital Limited** (Formerly known as Inga Capital Limited)

Price information of past public issues (during current financial year and two financial years preceding the current financial year) handled by ITI Capital Limited (formerly known as Inga Capital Limited):

| Sr. No. | Issue name | Issue size (₹ in million) | Issue price (₹) | Listing date | Opening price on listing date (in ₹) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th Calendar day from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th Calendar day from listing | +/- % change in closing price, [+/ % change in closing benchmark]- 180th Calendar day from listing |
|---|---|---|---|---|---|---|---|---|
| 1. | Bharat Road Network Limited | 6,006.50 | 205 | September 18, 2017 | 205 | -13.88% [+0.80%] | -4.56% [+2.32%] | -11.39% [+0.41%] |
| 2. | Avenue Supermarts Limited | 18,700.00 | 299 | March 21, 2017 | 600 | +145.08 [-0.20%] | +166.35 [+5.88%] | +264.38% [+11.31%] |

*Source: www.nseindia.com for price information and prospectus for issue details*

*Notes:*

1. In Avenue Supermarts Limited, the anchor investor issue price was ₹ 299 per equity shares.
2. In the event, any day falls on a holiday, the price/ index of the immediately succeeding working day has been considered.
3. All prices are according to trades on NSE and the benchmark index is NIFTY 50.
4. % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th / 90th / 180th calendar day from listing day.

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by ITI Capital Limited (formerly known as Inga Capital Limited)*

| Financial year | Total no. of IPOs | Total funds raised (₹ in Crores) | Nos. of IPOs trading at discount – 30th calendar day from listing | | | Nos. of IPOs trading at premium – 30th calendar day from listing | | | Nos. of IPOs trading at discount – 180th calendar day from listing | | | Nos. of IPOs trading at premium – 180th calendar day 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% |
| 2018-2019* | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2018-2017 | 1 | 6,006.50 | - | - | 1 | - | - | - | - | - | 1 | - | - | - |
| 2017-2016 | 1 | 18,700.00 | - | - | - | 1 | - | - | - | - | - | 1 | - | - |

***As on the date of this Draft Red Herring Prospectus***

**Track record of past issues handled by the BRLM**

For details regarding the track record of the BRLM, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLM, i.e., www.iticapital.in.

**Disclaimer in respect of Jurisdiction**

The Issue 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), NBFC-SIs or trusts under registered applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI 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.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act ("U.S. Persons") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs"; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the Securities Act and in reliance upon section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise. See "*Issue Information – Terms of the Issue – Eligibility and Transfer Restrictions*" on page 326.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

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. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any

similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

**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 prior to the filing with the RoC.

**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 prior to the filing with the RoC.

**Filing**

A copy of this Draft Red Herring Prospectus has been filed with SEBI at the Southern Regional Office, Overseas Towers, 7th Floor, 758 – L Anna Salai, Chennai – 600 002, Tamil Nadu, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the Office of the Registrar of Companies, Karnataka located at 'E' Wing, 2nd Floor, Kendrya Sadana, Kormangala, Bengaluru – 560 034, Karnataka, India.

**Listing**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Applications shall be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Issue. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company may forthwith repay (in proportion to the Equity Shares offered by each of them respectively, in the Issue), all monies received from the applicants in pursuance of the Red Herring Prospectus as required by applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/Issue Closing Date or within such other period as may be prescribed. If our Company does not allot Equity Shares within six Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest the application money, failing which interest shall be paid to the Bidders at the rate of 15% per annum for the delayed period.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

*a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

*b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

*c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447*."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

**Consents**

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, legal advisors, Bankers to our Company, Nasscom; and (b) the BRLM, the Syndicate Members, the Public Offer Bank(s), the Escrow Collection Bank(s), Refund Banker and the Registrar to the Issue to act in their respective capacities, have been obtained/will be obtained prior to filing of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with RoC.

Our Company has received written consent dated August 24, 2018 from our Statutory Auditors, namely, JHS & Associates LLP, Chartered Accountants for inclusion of their reports, dated August 24, 2018 on the Restated Standalone Financial Statements and the Restated Consolidated Financial Statements in this Draft Red Herring Prospectus and to include their name as required under section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated August 24, 2018 in the form and context in which it appears in this Draft Red Herring Prospectus. Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus for filing with SEBI.

**Experts**

Our Company has received written consent dated August 24, 2018 from our Statutory Auditor, namely, JHS & Associates LLP, Chartered Accountants to include their name as required under section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to its examination reports, dated August 24, 2018 on the Restated Standalone Financial Statements and the Restated Consolidated Financial Statements and the Statement of Tax Benefits dated August 24, 2018, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. The term 'expert' and consent thereof, does not represent an "expert" within the meaning under the Securities Act.

**Issue related expenses**

The expenses of the Issue include, among others, underwriting and management fees, selling commissions, bidding charges, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees, filing, auditor's fees and listing fees. For further details of Issue related expenses, see "*Objects of the Issue*" on page 86.

Upon the listing and trading of the Equity Shares on the Stock Exchanges, all Issue related expenses shall be borne by the Company in accordance with applicable law.

**Fees Payable to Syndicate**

The total fees payable to Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement, a copy of which will be available for inspection at the Registered Office from 10.00 am to 4.00 pm on Working Days from the date of filing of the Red Herring Prospectus until the Bid/Issue Closing Date. For details, see "*Objects of the Issue*" on page 86.

**Commission payable to SCSBs, Registered Brokers, RTAs and CDPs**

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see "*Objects of the Issue*" on page 86.

**Fees Payable to the Registrar to the Issue**

The fees payable by our Company to the Registrar to the Issue for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated August 24, 2018 entered into amongst our Company and the Registrar to the Issue, a copy of which is available for inspection at the Registered Office from 10.00 am to 4.00 pm on Working Days from the date of filing of the Red Herring Prospectus until the Bid/Issue Closing Date.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to Registrar to the Issue to enable it to send refund in any of the modes described in the Red Herring Prospectus or Allotment advice by registered post/speed post. For details, see "*Objects of the Issue*" on page 86.

**Particulars regarding public or rights issues by our Company since inception**

Except as disclosed in "*Capital Structure"* on page 73, our Company has not made any public or rights issues since inception.

**Previous issues of securities otherwise than for cash**

Except as disclosed in *"Capital Structure"* beginning on page 73, our Company has not issued any securities for consideration otherwise than for cash.

**Commission and Brokerage paid on previous issues of the Equity Shares**

Since this is an initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

**Previous capital issue during the previous three years by listed associates of our Company**

Our Associate Company is not listed on any stock exchange nor has it undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

**Performance vis-à-vis objects – Last issue of listed Associate Companies**

Our Associate Company is not a listed company. Accordingly, the requirement to disclose shortfall in terms of performance vis-a-vis objects for any of the previous issues does not apply.

**Performance vis-à-vis objects – Last three issues of our Company**

Except as disclosed below, our Company has not undertaken any rights issues since inception of the Company:

| Sr. No. | Date | Number of Equity Shares offered | Number of Equity Shares allotted | Issue Price |
|---|---|---|---|---|
| 1. | March 31, 2016 | 1,864,999 | 1,864,999 | 10 |
| 2. | March 30, 2017 | 2,999,999 | 2,999,999 | 10 |
| 3. | May 20, 2017 | 585,000 | 537,930 | 29 |

Our Company has met the objects mentioned in the respective offer documents of the last three rights issues undertaken by our Company since inception.

Further, our Company has not undertaken any public issues in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

**Partly Paid-up Shares**

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

**Outstanding Debentures, Bonds or other instruments**

Our Company does not have any outstanding debentures, bonds or other instruments as of the date of this Draft Red Herring Prospectus.

**Previous issues of securities otherwise than for cash or bonus**

Except as disclosed in the "*Capital Structure*" on page 73, our Company has not issued any specified securities for consideration otherwise than for cash or bonus.

**Outstanding Preference Shares**

Our Company does not have any outstanding preference shares as on date of this Draft Red Herring Prospectus.

**Stock Market Data of the Equity Shares**

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

**Mechanism for Redressal of Investor Grievances**

The agreement amongst the Registrar to the Issue and our Company provides for the retention of records with Registrar to the Issue for a period of at least five years from the date of listing and commencement of trading of the Equity Shares to enable the investors to approach Registrar to the Issue for redressal of their grievances.

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations or the relevant Registered Broker if the Bid was submitted through Registered Brokers, as the case may be, giving full details such as name and address of the sole or the First Bidder, the Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of the Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Registered Broker or the Designated Branch, as the case may be, where the ASBA Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs, Syndicate Members, RTA, CDPs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

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

**Disposal of investor grievances by listed companies under the same management**

As on the date of this Draft Red Herring Prospectus, none of the companies under the same management as that of our Company are listed on any stock exchange. Accordingly, the requirement to disclose details of investor grievances by listed companies under the same management as our Company does not apply.

**Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or Registrar to the Issue or SCSB, for the redressal of routine investor grievances shall be 15 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.

Our Company has constituted a Stakeholders' Relationship Committee comprising, Tushar Trivedi as a Chairman, Srinivas Koora and Jaison Jose as members. For details of the Stakeholders' Relationship Committee, see "*Our Management*" on page 129.

Our Company has also appointed Vaishali Kondbhar, the Company Secretary of our Company, as the Compliance Officer for the Issue and she may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

**Xelpmoc Design and Tech Limited**
#17, 4th Floor, Agies Building
1st 'A' cross, 5th Block
Koramangala
Bengaluru – 560 034,
Karnataka, India.
**Telephone:** +91 80 4370 8160
**Fax:** Not available
**Email:** info@xelpmoc.in

Our Company has not received any investor complaint since inception.

**Changes in auditors**

Except as disclosed below, there has been no change in the statutory auditors of our Company since its inception:

| Name of Auditor | Date of Appointment / Resignation | Reason for change |
|---|---|---|
| JHS & Associates LLP, Chartered Accountants | April 30, 2018 | Appointment |
| Venu & Vijay, Chartered Accountants | April 4, 2018 | Resignation |
| Venu & Vijay, Chartered Accountants | October 15, 2015 | Appointment |

**Capitalisation of Reserves or Profits**

Except as stated in "*Capital Structure – Issue of Equity Shares for consideration other than cash or through bonus*" on page 74, our Company has not capitalised its reserves or profits at any time since its inception.

**Revaluation of Assets**

Our Company has not revalued its assets at any time since its inception.

## SECTION VII – ISSUE RELATED INFORMATION

## TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

**Ranking of the Equity Shares**

The Equity Shares being issued and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association, the SEBI Listing Regulations and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of Articles of Association*" on page 385.

**Mode of Payment of Dividend**

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of the SEBI Listing Regulations. For further details in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" on pages 149 and 385, respectively.

**Face Value and Issue Price**

The face value of each Equity Share is ₹ 10 and the Issue Price at the lower end of the price band is [●] per Equity Share and at the higher end of the Price Band is [●] per Equity Share. The Anchor Investor Issue Price is [●] per Equity Share.

The Price Band will be decided by our Company in consultation with the BRLM and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and will be advertised in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and Bengaluru editions of Kannada newspaper [●] (Kannada being the regional language of Karnataka where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Issue 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 on the websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

**Compliance with disclosure and accounting norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

**Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and the Memorandum of Association and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of Articles of Association*" on page 385.

**Option to receive Equity Shares in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated [●] between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated [●] between CDSL, our Company and Registrar to the Issue.

**Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

**Period of operation of subscription list**

See "*Terms of the Issue– Bid/Issue Programme*" on page 324.

**Joint Holders**

Subject to the provisions contained in the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

**Jurisdiction**

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Bengaluru, India.

**Nomination facility to Bidders**

In accordance with Section 72 of the Companies Act, 2013, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, 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. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or

(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

**Withdrawal of the Issue**

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company shall issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed. If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with a fresh issue Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

**Bid/Issue Programme**

| | |
|---|---|
| BID/ISSUE OPENS ON | [●]* |
| BID/ISSUE CLOSES ON | [●]** |

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

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

An indicative timetable in respect of the Issue is set out below:

| Event | Indicative Date |
|---|---|
| Bid/ Issue Closing Date | [●] |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | On or about [●] |
| Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account | On or about [●] |
| Credit of Equity Shares to demat accounts of Allottees | On or about [●] |
| Commencement of trading of the Equity Shares on the Stock Exchanges | On or about [●] |

**The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company or the BRLM.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delay 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.**

**Submission of Bids (other than Bids from Anchor Investors):**

| **Bid/ Issue Period (except the Bid/Issue Closing Date)** | |
|---|---|
| Submission and Revision in Bids | Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST") |
| **Bid/Issue Closing Date** | |
| Submission and Revision in Bids | Only between 10.00 a.m. and 3.00 p.m. IST |

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

ii. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.**

**In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in physical Bid cum Application Form, for a particular Bidder the details of the Bid file received from Stock Exchanges may be taken as final data for purposes of Allotment.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. IST (Indian Standard Time) on the Bid/Issue Closing Date.

Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Issue.

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 SCSBs in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue 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/Issue Opening Date.

**In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members. However, in case of revision in the Price Band, the Bid Lot shall remain the same.**

**Minimum Subscription**

If our Company does not receive (i) the minimum subscription of 90% of the Issue; and (ii) a subscription in the Issue equivalent to the minimum number of securities as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amount received, in the manner set out in the Issue Agreement. If there is a delay beyond the prescribed time, our Company shall pay the interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law.

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 26(4) of the SEBI ICDR Regulations.

**Arrangement for Disposal of Odd Lots**

Since our Equity Shares will be traded in dematerialised form only, the market lot of our Equity Shares will be one and therefore there are no arrangements for disposal of odd lots.

**Restrictions on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Share capital of our Company and Promoters' minimum contribution and the Anchor Investor lock-in Equity Shares as detailed in "*Capital Structure*" beginning on page 73 and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation/ splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page 385.

**Eligibility and Transfer Restrictions**

As described more fully below, there are certain restrictions regarding the Equity Shares that affect potential U.S. and non-U.S. investors. These restrictions are (i) prohibitions on participation in the Issue by persons in circumstances which would cause our Company to be required to be registered as an investment company under the U.S. Investment Company Act and (ii) restrictions on the ownership of Equity Shares by such persons following the offer.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the U.S. Securities Act ("U.S. Persons") 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. Our Company has not registered and does not intend to register under the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs"; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance upon section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

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 the Issue, including the merits and risks involved.

Our Company is not and will not be registered under the U.S. Investment Company Act, and investors will not be entitled to the benefits afforded to investors under the U.S. Investment Company Act.

Investors may be required to bear the financial risk of an investment in the Equity Shares for an indefinite period. The Equity Shares are not transferable except in compliance with the restrictions described in "*Issue Information – Terms of the Issue – Eligibility and Transfer Restrictions*" beginning on page 326.

***Eligible Investors***

The Equity Shares are being offered and sold:

(i) in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both U.S. QIBs and QPs, in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on section 3(c)(7) of the U.S. Investment Company Act; and

(ii) outside the United States to investors that are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur;

and in each case who are deemed to have made the representations set forth immediately below.

***Equity Shares Offered and Sold within the United States or to U.S. Persons***

Each purchaser that is a U.S. Person or acquiring the Equity Shares issued pursuant to this Issue within the United States or for the account or benefit of U.S. Persons, by a declaration included in the Bid cum Application Form and its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed, on behalf of itself and each person for which it is acting, with the Company and the Book Running Lead Manager that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares issued pursuant to this Issue in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares issued pursuant to this Issue have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(3) the purchaser (i) is a U.S. QIB and a QP, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, (iii) was not formed for the purpose of investing in the Equity Shares and (iv) is acquiring such Equity Shares for its own account or for the account of one or more persons, each of which is a U.S. QIB and a QP, with respect to which it exercises sole investment discretion;

(4) the purchaser acknowledges that the Company has not registered, and does not intend to register, as an "investment company" (as such term is defined under the U.S. Investment Company Act) and that the Company has imposed the transfer and offering restrictions with respect to persons in the United States and U.S. Persons described herein so that the Company will qualify for the exception provided under Section 3(c)(7) of the U.S. Investment Company Act and will have no obligation to register as an investment company. The purchaser, and each person for which it is acting, also understands and agrees that the Company and the Book Running Lead Manager shall have the right to request and receive such additional documents, certifications, representations and undertakings, from time to time, as they may deem necessary in order to comply with applicable legal requirements;

(5) the purchaser is not a broker-dealer which owns and invests on a discretionary basis less than US$25,000 thousand in securities of issuers unaffiliated with such broker-dealer;

(6) the purchaser understands that, subject to certain exceptions, to be a QP, entities must have U.S.$25,000 thousand in "investments" (as defined in Rule 2a51- l of the U.S. Investment Company Act);

(7) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(8) the purchaser is not a participant-directed employee plan, such as a 401(k) plan, or a trust holding the assets of such plan, unless the investment decisions with respect to such plan are made solely by the fiduciary, trustee or sponsor of such plan;

(9) the purchaser is not managed as a device for facilitating individual investment decisions of beneficial owners, but rather is managed as a collective investment vehicle;

(10) the purchaser, and each account for which it is purchasing or otherwise acquiring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least US$250,000 or its equivalent in another currency;

(11) it, and each person for which it is acting, was not formed, reformed or recapitalized for the purpose of investing in the Equity Shares and/or other securities of the Company;

(12) if the purchaser, or any person for which it is acting, is an investment company excepted from the U.S. Investment Company Act pursuant to section 3(c)(1) or section 3(c)(7) thereof (or a foreign investment company under Section 7(d) thereof relying on section 3(c)(1) or 3(c)(7) with respect to its holders that are U.S. persons) and was formed on or before April 30, 1996, it has received the consent of its beneficial owners who acquired their interests on or before April 30, 1996, with respect to its treatment as a QP in the manner required by Section 2(a)(51)(C) of the U.S. Investment Company Act and the rules promulgated thereunder;

(13) the purchaser, and each person for which it is acting, is not a partnership, common trust fund, or corporation, special trust, pension fund or retirement plan, or other entity, in which the partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners, as the case may be, may designate the particular investments to be made, or the allocation thereof unless all such partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners are both QIBs and QPs;

(14) the purchaser, and each person for which it is acting, has not invested more than 40.0% of its assets in the Equity Shares (or beneficial interests therein) and/or other securities of the Company after giving effect to the purchase of the Equity Shares (or beneficial interests therein) (unless all of the beneficial owners of such entity's securities are both QIBs and QPs);

(15) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise. The purchaser agrees not to effect any sale, pledge or other transfer unless the purchaser first executes a US Resale Letter in the form of Annexure A to this Draft Red Herring Prospectus and delivers such letter to the Company prior to the settlement if any sale, pledge or other transfer of the Equity Shares. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

(16) is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;

(17) the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

(18) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

(19) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares or any "general solicitation" or "general advertising" (as defined in Regulation D under the U.S. Securities Act) in the United States in connection with any offer or sale of the Equity Shares;

(20) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED

(THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE-ARRANGEMENT OR OTHERWISE IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT.

THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S ISSUE DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

(21) the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold and agrees not to act as a swap counterparty or other type of intermediary whereby any other party will acquire an economic interest or beneficial interest in the Equity Shares acquired or reoffer, resell, pledge or otherwise transfer the Equity Shares or any beneficial interest therein, to any person except to a person that meets all of the requirements above and who agrees not to subsequently transfer the Equity Shares or any beneficial interest therein except in accordance with these transfer restrictions;

(22) the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;

(23) the purchaser understands and acknowledges that our Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a covered fund. Accordingly, banking entities that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption. Each purchaser must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares;

(24) the purchaser is knowledgeable, sophisticated and experienced in business and financial matters, fully understands the limitations on ownership and transfer and the restrictions on sales of the Equity Shares and is aware that there are substantial risks incidental to the purchase of the Equity Shares and is able to bear the economic risk of such purchase; and

(25) the purchaser acknowledges that the Company, the Book Running Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

***All Other Equity Shares Offered and Sold in this Issue***

Each purchaser that is a non-U.S. Person and acquiring the Equity Shares sold pursuant to this Issue outside the United States, by a declaration included in the Bid cum Application Form and its acceptance of this Draft Red Herring Prospectus and of the Equity Shares sold pursuant to this Issue, will be deemed to have acknowledged, represented to and agreed with the Company and the Book Running Lead Manager that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares issued pursuant to this Issue have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(3) the purchaser is purchasing the Equity Shares issued pursuant to this Issue in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

(4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares issued pursuant to this Issue, is a non-U.S. Person and was located outside the United States at each time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated, and continues to be a non-U.S. Person and located outside the United States and has not purchased such Equity Shares for the account or benefit of any U.S. Person or any person in the United Sates or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any U.S. Person or any person in the United States;

(5) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(6) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person not known by the transferor to be a U.S. Person by pre-arrangement or otherwise. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the Equity Shares is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act;

(7) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

(8) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE-ARRANGEMENT OR

OTHERWISE IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT.

THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S ISSUE DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

(9) the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;

(10) the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;

(11) the purchaser understands and acknowledges that our Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a covered fund. Accordingly, banking entities that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption. Each purchaser must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares; and

(12) the purchaser acknowledges that the Company, the Book Running Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

## ISSUE STRUCTURE

Public Issue of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ 230,000 thousand by our Company. The Issue will constitute [●]% of the post-Issue paid-up capital of our Company.

The Issue is being made through the Book Building Process.

| Particulars | QIBs[1] | Non-Institutional Investors | Retail Individual Investors |
|---|---|---|---|
| Number of Equity Shares available for allocation[2] | At least [●] Equity Shares | Not more than [●] Equity Shares or Issue less allocation to QIBs and Retail Individual Investors | Not more than [●] Equity Shares or Issue less allocation to QIBs and Non-Institutional Investors |
| Percentage of Issue size available for allocation/ Allotment | At least 75% of the Issue shall be Allotted to QIB Bidders.<br><br>However, 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available for allocation to QIBs. | Not more than 15% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation. | Not more than 10% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation. |
| Basis of Allotment if respective category is oversubscribed | Proportionate as follows (excluding the Anchor Investor Portion):<br><br>(a) Up to [●] Equity Shares will be available for allocation on a proportionate basis to Mutual Funds; and<br><br>(b) [●] Equity Shares will be available for allocation on a proportionate basis to all other QIBs including Mutual Funds receiving allocation as per (a) above.<br><br>Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. | Proportionate | Allotment 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.<br><br>For more information, see "*Issue Procedure*" on page 336. |

| Particulars | QIBs[1] | Non-Institutional Investors | Retail Individual Investors |
|---|---|---|---|
| Mode of Bidding | Through ASBA process only (except Anchor Investors) | | |
| Minimum Bid | Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000 | [●] Equity Shares and in multiples of [●] Equity Shares thereafter |
| Maximum Bid | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Issue, subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Issue, subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000 |
| Mode of Allotment | Compulsorily in dematerialised form | | |
| Bid Lot | [●] Equity Shares and in multiples of [●] Equity Shares thereafter | | |
| Allotment Lot | [●] Equity Shares and in multiples of one Equity Share thereafter | | |
| Trading Lot | One Equity Share | | |
| Who can Apply[3] | Public financial institutions specified in Section 2(72) of the Companies Act, FPIs (other than Category III FPIs), scheduled commercial banks, mutual funds registered with SEBI, VCFs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250,000 thousand, pension funds with a minimum corpus of ₹ 250,000 thousand, the National Investment Fund set up by the GoI, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and NBFC-SIs. | Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts and any Category III FPIs registered with SEBI. | Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs applying for Equity Shares. |
| Terms of Payment[4] | ***In case of Anchor Investors:*** *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids.*<br><br>***In case of all other Bidders:*** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders (other than Anchor Investors) that is specified in the ASBA Form at the time of the submission of the Bid cum Application Form | | |

* Assuming full subscription in the Issue

*[1] Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor*

*Investor Portion is up to ₹100,000 thousand, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100,000 thousand but up to ₹2,500,000 thousand under the Anchor Investor Portion, subject to a minimum Allotment of ₹50,000 thousand per Anchor Investor, and (iii) in case of allocation above ₹2,500,000 thousand under the Anchor Investor Portion, a minimum of five investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500,000 thousand, and an additional 10 Anchor Investors for every additional ₹2,500,000 thousand or part thereof will be permitted, subject to minimum allotment of ₹50,000 thousand per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100,000 thousand. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.*

*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. 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 Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs.*

*[2]Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations and Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Issue shall be Allotted on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price,. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. The number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded/unblocked forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.*

*[3]Subject to valid Bids being received at or above the Issue 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, in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*

*[3]If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

*[4]Any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

*Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

## ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, and the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, notified by SEBI ("General Information Document") included below under section " – Part B - General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act 2013, to the extent applicable to a public issue and any other enactments and regulations. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.*

*Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making the ASBA process mandatory for all Bidders, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days.*

*Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document 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 this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.*

## PART A

### Book Building Procedure

The Issue is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Issue shall be Allotted on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds subject to valid bids being received. 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. The number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded/unblocked forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis, subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, 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. The Bid cum Application Forms will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/ Issue Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLM.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

Bidders (other than Anchor Investors) must provide bank account details and authorisation by the ASBA bank 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 detail are liable to be rejected.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms not bearing such specified stamp maybe liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

| **Category** | **Colour of Bid cum Application Form*** |
|---|---|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis^ | White |
| Non-Residents including Eligible NRIs, FVCIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Category), FPIs, and multilateral and bilateral development financial institutions applying on a repatriation basis^ | Blue |
| Anchor Investors** | [●] |

** Excluding electronic Bid cum Application Forms*

*** Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM*

*^ Electronic Bid cum Application forms will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Anchor Escrow Bank.

All Non-Resident Bidders will be required to attach a self-certification with the Bid cum Application Form, confirming and certifying that such Bidder is a 'fit and proper person' in accordance with the requirements prescribed under the Securities and Exchange Board of India (Intermediaries) Regulations, 2008. To be a 'fit and proper person' the following criteria shall be taken into consideration: (i) the Bidder's integrity, reputation and

character; (ii) the Bidder shall not have any convictions and restraint orders; (iii) the Bidder shall be competent including have financial solvency and networth; and (iv) the Bidder shall not be categorised as a Wilful Defaulter.

**Who can Bid?**

In addition to the category of Bidders set forth under *"General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue" on page 350*, any other persons eligible to Bid in the Issue under the applicable laws, rules, regulations, guidelines, and policies are also eligible to invest in the Equity Shares.

**Participation by associates and affiliates of the BRLM and the Syndicate Members, Promoters, Promoter Group and persons related to Promoter/Promoter Group**

The BRLM 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 BRLM and the Syndicate Members may purchase Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Promoters, Promoter Group, BRLM and any persons related to the BRLM (except Mutual Funds sponsored by entities related to the BRLM) cannot apply in the Issue under the Anchor Investor Portion.

**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, our Company reserves the right to reject any Bid without assigning any reason therefore. 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 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 Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary ("NRO") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents (white in colour).

**Bids by FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of FEMA, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. In case the total holding of an FPI increases beyond 10% of the total paid-up equity capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and the investee company and the investor complying with the applicable reporting requirements. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to RBI. In terms of FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The existing aggregate investment limits for an FPI in our Company is 24% of the total paid-up equity share capital of our Company.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments ("ODIs"). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. Further, an FPI shall issue ODIs only to those subscribers which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPI and unregulated broad based funds, which are classified as Category II FPI by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in ODIs (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure inter alia that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

**Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors**

The FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF or FVCI registered with SEBI in any company should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations 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.

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 or the BRLM will not be responsible for losses, if any, incurred by the Bidder on account of conversion of foreign currency.

**Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

**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 are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason therefor.

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 banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

**Bids by SCSBs**

SCSBs participating in the Issue 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 IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "**IRDA Investment Regulations**"), and are broadly set forth below:

1. equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/investment assets in case of a general insurer or a reinsurer;

2. the entire group of the investee company: not more than 15 % of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower' and

3. the industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

Insurance companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000,000 thousand or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000,000 thousand or more but less than ₹ 2,500,000,000 thousand.*

**Bids by NBFC-SI**

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 reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

B**ids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs (including FIIs), AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250,000 thousand (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250,000 thousand, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM, 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, in consultation with the BRLM, may deem fit.

**Bids by Anchor Investors**

For details in relation to Bids by Anchor Investors, see "*Issue Procedure – Part B – General Information Document for Investing in Public Issues"* on page 348.

**Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250,000 thousand, 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, in consultation with the BRLM, reserves the right to reject any Bid, without assigning any reason therefore.

**The above information is given for the benefit of the Bidders. Our Company and the BRLM 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 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 or as specified in this Draft Red Herring Prospectus.**

**In accordance with RBI regulations, OCBs cannot participate in the Issue.**

**Pre- Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and Bengaluru editions of Kannada newspaper [●] (Kannada being the regional language of Karnataka where our Registered Office is located), each with wide circulation, respectively. Our Company shall, in the pre- Issue advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

**Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company intends on entering into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Issue Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Issue Price, Anchor Investor Issue Price, Issue 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 their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw 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. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

6. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form;

7. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement 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;

11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

12. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;

13. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

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;

14. Ensure that the Demographic Details are updated, true and correct in all respects;

15. 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;

16. Ensure that the correct 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;

17. 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;

18. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

19. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock 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. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

20. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor 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).

21. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation 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;

22. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with;

23. Bids by Eligible NRIs and Category III FPIs 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 Issue.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not 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 Bid cum Application Forms to any non-SCSB bank or our Company;

8. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus.

11. Do not submit your Bid after 3.00 pm on the Issue Closing Date;

12. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date

13. Instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

14. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors);

15. Do not submit the General Index Register (GIR) number instead of the PAN;

16. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

17. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;

18. Do not submit more than five Bid cum Application Forms per ASBA Account;

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;

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 submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise; and

22. 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).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable or any other condition mentioned in this Draft Red Herring Prospectus, are not complied with.

**Payment into Escrow Account for Anchor Investors**

Our Company, in consultation with the BRLM, 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 Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Accounts should be drawn in favor 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 Syndicate, the Bankers to the Issue and the Registrar to the Offer to facilitate collections from Anchor Investors.

**Depository Arrangements**

The Allotment of the Equity Shares in the Issue 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 the Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated [●] among NSDL, the Company and the Registrar to the Issue.

- Agreement dated [●] among CDSL, the Company and Registrar to the Issue.

**Undertakings by our Company**

Our Company undertakes the following:

i. That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

ii. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum 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/Issue Closing Date;

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 Issue by the 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 15 days from the Bid/ Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

vi. That no further issue of Equity Shares shall be made until the Equity Shares 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.;

vii. That if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

viii. That if our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company subsequently decides to proceed with the Issue;

ix. That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

x. That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;

xi. That adequate arrangements shall be made to collect all Bid cum Application Forms and they shall be considered similar while finalising the basis of allotment;

xii. That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;

xiii. That adequate arrangements shall be made to collect all Bid cum Application Forms;

xiv. That our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received; and

xv. That the Promoters' Contribution in full, wherever required, shall be brought in advance before the Issue Opening Date and the balance, if any, shall be brought in pro rata basis before the calls are made on public.

**Utilization of Net Proceeds**

Our Board certifies that:

i. details of all monies utilised out of the Issue referred to in sub item (i) shall be disclosed and continue to be disclosed until the time any part of the Net Proceeds remains unutilised, under an appropriate separate head in the balance-sheet of the Issuer indicating the purpose for which such monies had been utilised; and

ii. details of all unutilised monies out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Our Company specifically confirms and declares that all monies received from the Issue shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act 2013.

## PART B

**General Information Document for Investing in Public Issues**

*This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of our Company and this Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.*

### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("**RHP**")/Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issue is available on the websites of stock exchanges, on the website(s) of the BRLM to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalised terms and abbreviations used herein Bidders/Applicants may refer to "*Glossary and Abbreviations*".

### SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

#### 2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

#### 2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

## 2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act, 1956 (the **"Companies Act"**) as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957 (the **"SCRR"**), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

## 2.4 Types of Public Issues - Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue")**. An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the Pre-Issue Advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/ Issue Opening Date, in case of an FPO.

The Floor Price or the Issue Price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## 2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three additional Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of the Stock Exchange(s).

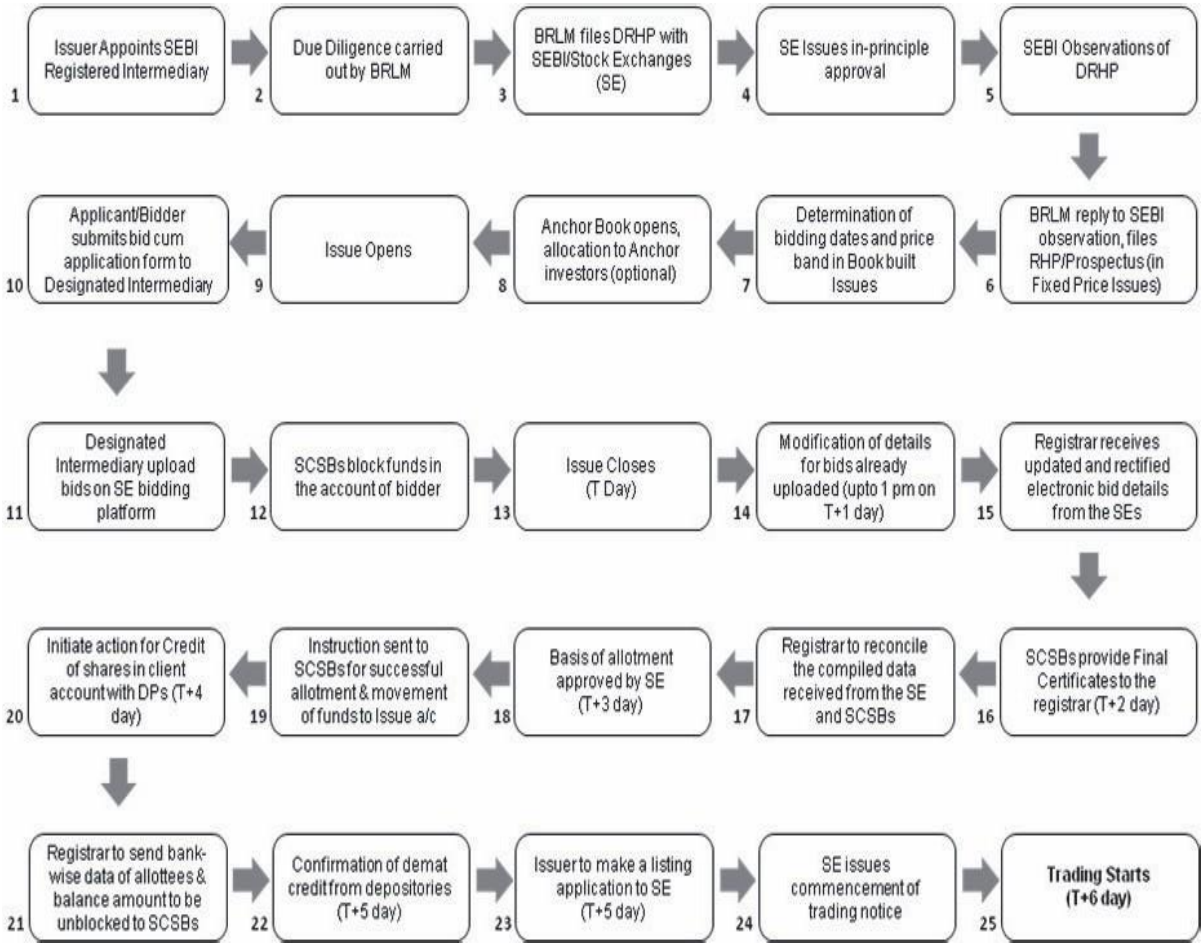
In case of a Book Built Issue, the Issuer may close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three additional Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM, and the advertisement in the newspaper(s) issued in this regard.

## 2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as below. Bidders/Applicants may note that this is not applicable for Fast Track FPOs.

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

(i) Step 7 : Determination of Issue Date and Price
(ii) Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries.




**SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE**

***Each Bidder/Applicant should check whether it is eligible to apply under applicable law.***

Furthermore, certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs, QFIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant 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 First or Sole Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ,

where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;

- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FPIs registered with SEBI, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non-Institutional Investors (NIIs) category;
- FPIs (other than Category III FPIs) bidding in the QIBs category;
- Category III FPIs bidding in the Non-Institutional Bidders category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Scientific and/or industrial research organisations in India, which are authorised to invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws. As per the existing regulations, OCBs are not allowed to participate in the Issue.

**SECTION 4: APPLYING IN THE ISSUE**

**Book Built Issue:** Bidders should only use the specified Bid cum Application Form either bearing the stamp of a Designated Intermediary or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

**Fixed Price Issue:** Applicants should only use the specified cum Bid cum Application Form, bearing the stamp of the Designated Intermediary or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

| **Category** | **Colour of the Bid cum Application Form** |
|---|---|
| Resident Indian, Eligible NRI Bidders applying on a non repatriation basis | White |
| NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub- Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB) and FPIs on a repartition basis | Blue |
| Anchor Investors (where applicable) & Bidders Bidding / applying in the reserved category | As specified by the Issuer |

Securities issued in an IPO can only be in dematerialised form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

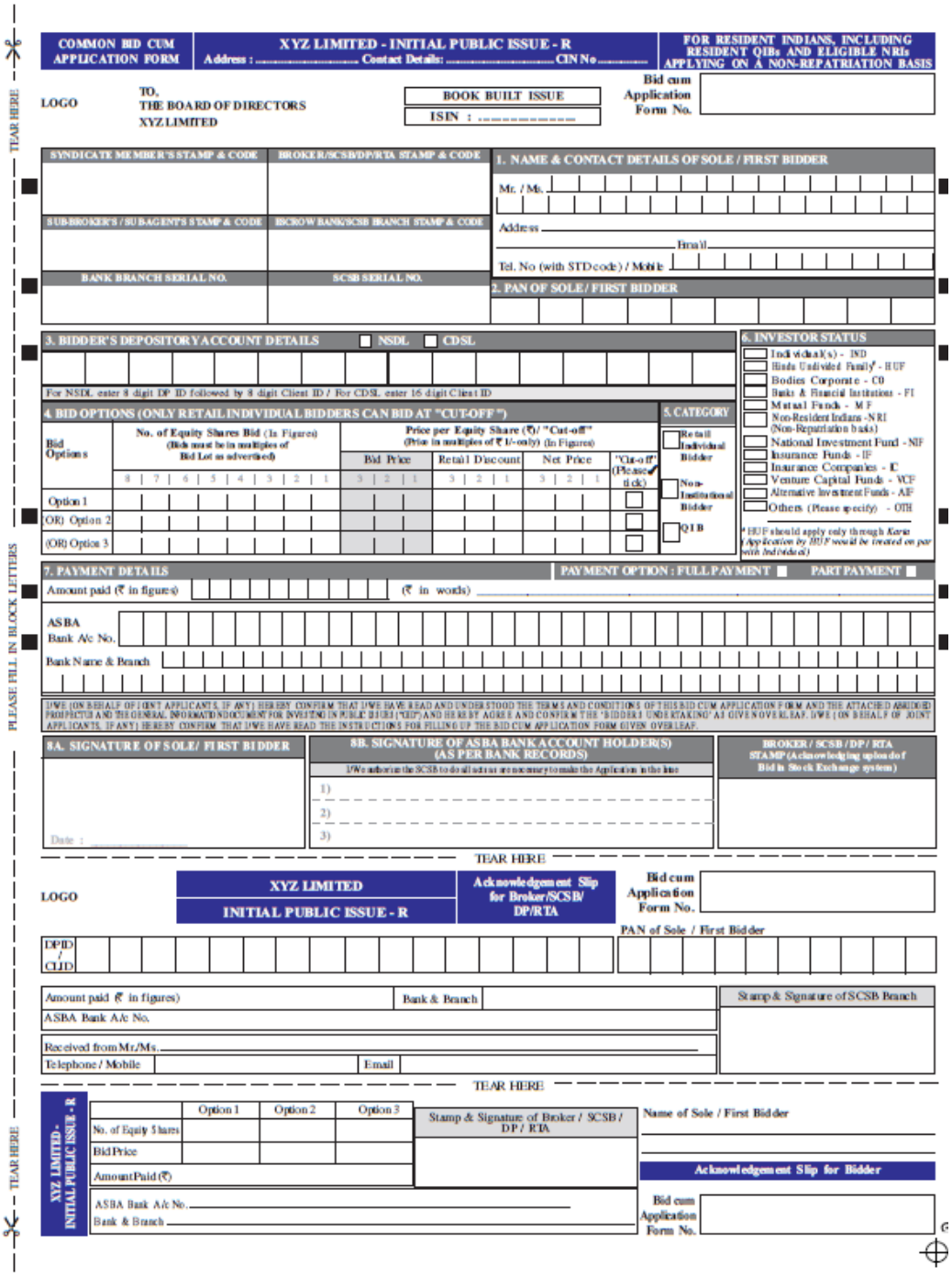
## 4.1. INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM / APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

**Application Form for Residents**



COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : ..... Contact Details: ..... CIN No .....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB AGENT'S STAMP & CODE

ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

6. INVESTOR STATUS

- Individual(s) - IND
- Hindu Undivided Family* - HUF
- Bodies Corporate - CO
- Banks & Financial Institutions - FI
- Mutual Funds - MF
- Non-Resident Indians - NRI (Non-Repatriation basis)
- National Investment Fund - NIF
- Insurance Funds - IF
- Insurance Companies - IC
- Venture Capital Funds - VCF
- Alternative Investment Funds - AIF
- Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | |
|---|---|---|---|---|---|
| | | Bid Price | Retail Discount | Net Price | "Cut-off" (Please ✓ tick) |
| | 8 7 6 5 4 3 2 1 | 3 2 1 | 3 2 1 | 3 2 1 | |
| Option 1 | | | | | ☐ |
| OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

5. CATEGORY

- ☐ Retail Individual Bidder
- ☐ Non-Institutional Bidder
- ☐ QIB

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDER'S UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)

Bank & Branch

Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Bid Price | | | |
| Amount Paid (₹) | | | |

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

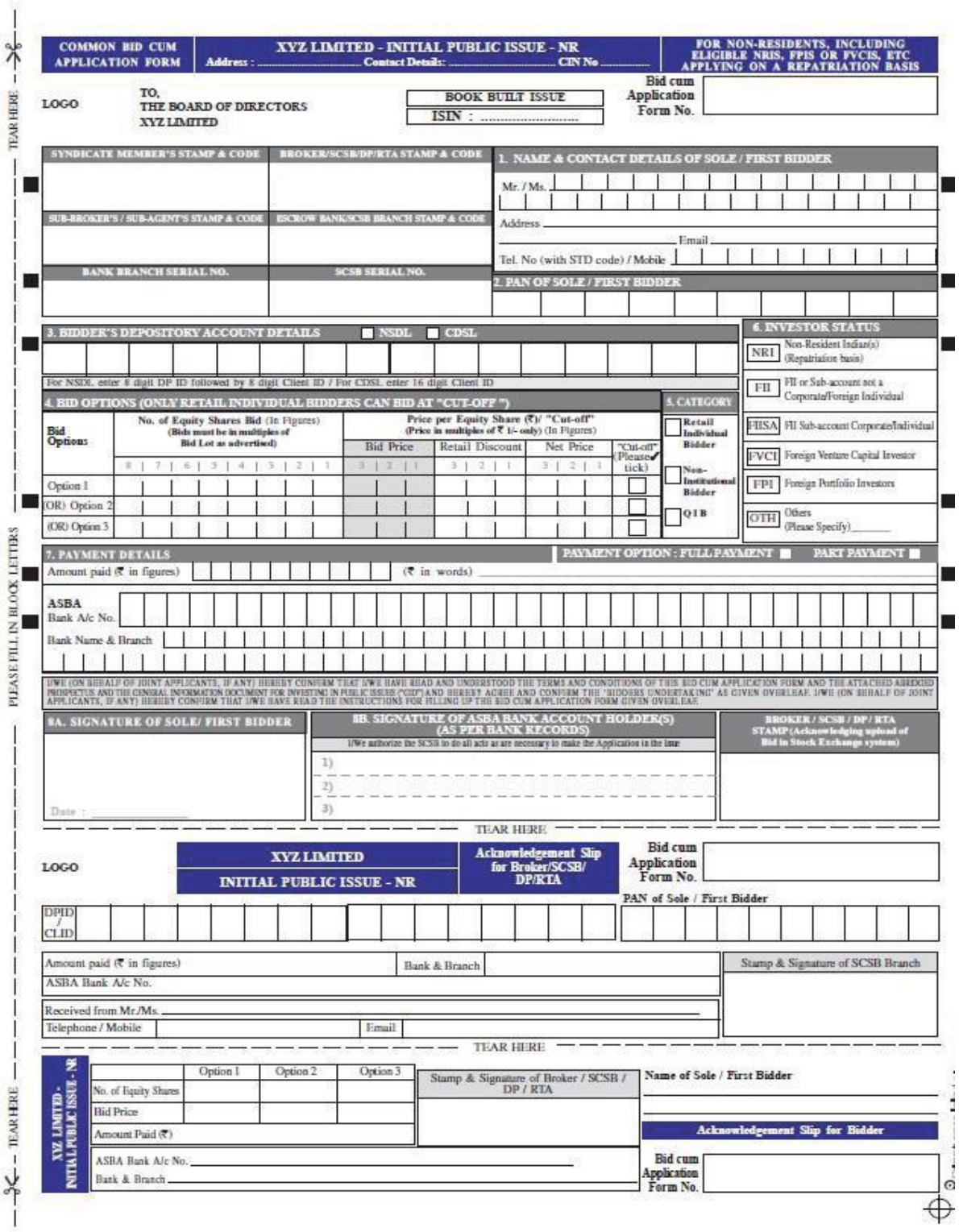
Bid cum Application Form No.

TEAR HERE

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

**Application Form for Non- Residents**


COMMON BID CUM APPLICATION FORM

XYZ LIMITED – INITIAL PUBLIC ISSUE – NR

Address : ..... Contact Details: ..... CIN No .....

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | |
|---|---|---|---|---|---|
| | | Bid Price | Retail Discount | Net Price | "Cut-off" (Please ✓ tick) |
| | 8 7 6 5 4 3 2 1 | 3 2 1 | 3 2 1 | 3 2 1 | |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. INVESTOR STATUS

NRI Non-Resident Indian(s) (Repatriation basis)

FII FII or Sub-account not a Corporate/Foreign Individual

FIISA FII Sub-account Corporate/Individual

FVCI Foreign Venture Capital Investor

FPI Foreign Portfolio Investors

OTH Others (Please Specify)_____

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

9A. SIGNATURE OF SOLE/ FIRST BIDDER

Date : _____

9B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE – NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount paid (₹ in figures)

Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Bid Price | | | |
| Amount Paid (₹) | | | |

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the ASBA Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to the Issue and for no other purposes.

(c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such First Bidder/Applicant would be deemed to have signed on behalf of the joint holders.

(d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

***"Any person who –***

***(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or***

***(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

***(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***

***shall be liable for action under section 447."***

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

### 4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/ First Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose first or sole name the relevant beneficiary account is held as per the Depositories" records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic

Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants 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.

(d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

### 4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected**.

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to the Issue.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants" sole risk.

### 4.1.4 FIELD NUMBER 4: BID OPTIONS

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot:** The Issuer, in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of

such minimum application value.

(e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

#### 4.1.4.1 Maximum and Minimum Bid Size

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000. Bids by Employees must be for such number of shares so as to ensure that the Bid Amount less Employee Discount (as applicable), payable by the Bidder does not exceed ₹ 500,000. Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

In case the Bid Amount for any Bid under the Retail Portion or Employee Reservation Portion exceeds ₹ 200,000 and ₹ 500,000, respectively, due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount, then such Bid may be rejected if it is at the Cut-off Price.

(b) For Eligible NRI Bidders, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at "Cut-off Price".

(d) RII may revise or withdraw their bids till closure of the bidding period. QIBs and NIIs cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 100,000 thousand. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed

for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

#### 4.1.4.2 Multiple Bids

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

ii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iii. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

iv. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Offer portion in public category.

### 4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of anchor investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI

ICDR Regulations. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, specify the allocation or allotment that may be made to various categories of Bidders in the Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

#### 4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

#### 4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in a Bidder's ASBA Account based on the authorisation provided by the Bidder in the ASBA Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked in respect of the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) Bidders who Bid at Cut-off price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) are required to Bid through the ASBA process.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

##### 4.1.7.1 Instructions for Anchor Investors:

(a) Anchor Investors may submit their Bids with a BRLM.

(b) Payments by Anchor Investors are required to be made through direct credit, RTGS or NEFT.

(c) The Escrow Collection Bank shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

##### 4.1.7.2 Payment instructions for Bidders

(a) Bidders may submit the ASBA Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorising blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to a Designated Intermediary at a Bidding Centre.

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bid cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at a Bidding Centre i.e to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) Bidders bidding through a Designated Intermediary other than an SCSB should note that the ASBA Forms submitted to the Designated Intermediary may not be accepted by the Designated Intermediary, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary to deposit Bid cum Application Forms.

(h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Escrow Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### 4.1.7.2.1 Unblocking of ASBA Account

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Escrow Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Escrow

Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Escrow Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Escrow Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/ Issue Closing Date.

#### 4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by Eligible NRI Bidders applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### 4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and Employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidders may note that in case the net amount blocked (post Discount) is more than 200 thousand rupees (under the RII category) or more than 500 thousand rupees (under the Employee Reservation Portion), the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category nor the Employee Reservation Portion.

### 4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided 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/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

### 4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgement Slip duly signed and stamped by the relevant Designated Intermediary for submission of the ASBA Form.

(b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.

ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

iii. In case of queries relating to uploading of Bids by a Designated Intermediary other than an SCSB, the Bidders/Applicants should contact the relevant Designated Intermediary.

iv. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the Issue.

(c) The following details (as applicable) should be quoted while making any queries –

i. full name of the First or Sole Bidder/Applicant, Bid cum Application Form number, Applicants/Bidders, DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application.

ii. name and address of the Designated Intermediary where the Bid was submitted; and

iii. The ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/ Prospectus and the Bid cum Application Form.

**4.2. INSTRUCTIONS FOR FILING THE REVISION FORM**

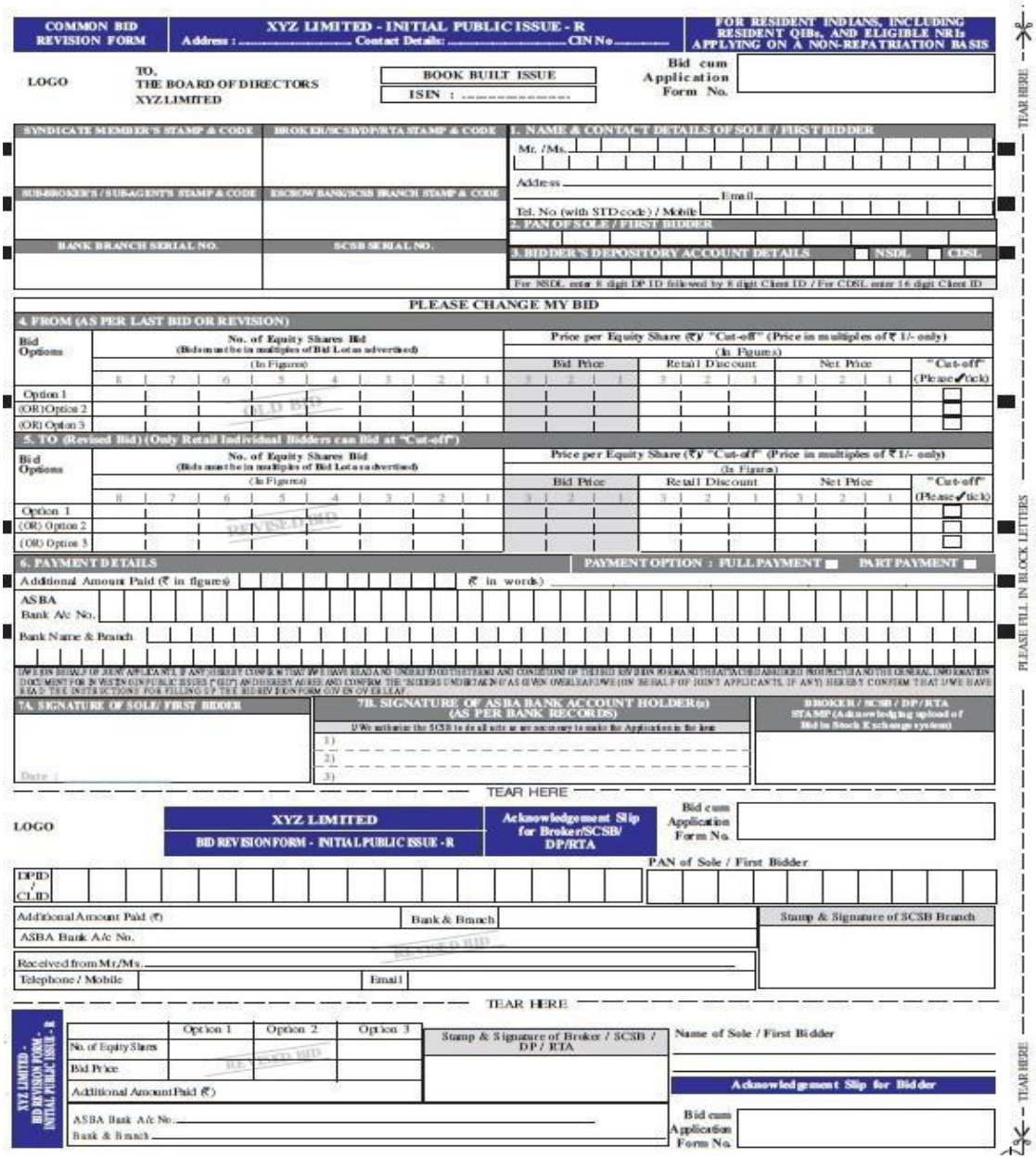
(a) During the Bid/ Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise or withdraw their bids till closure of the bidding period.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:




Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

### 4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

### 4.2.2 FIELD 4 AND 5: BID OPTIONS REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000 (₹ 500,000 in case of Employees). In case the Bid Amount for any Bid by the RIIs exceeds ₹ 200,000 (₹ 500,000 in case of Employees) due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, (excluding the Bids by Employees under the Employee Reservation Portion) the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees who have Bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after finalisation of the basis of allotment.

### 4.2.3 FIELD 6: PAYMENT DETAILS

(a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked in the ASBA Accounts. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicant may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000 (excluding the Bids by Employees under the Employee Reservation Portion), the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have Bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after finalisation of the basis of allotment.

#### 4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

### 4.3. INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

#### 4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### 4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY AND AMOUNT

(a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot:** The Issuer, in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs, Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000 and applications by Employees must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 500,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

ii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iii. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

iv. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.

### 4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS

(a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(d) The SEBI ICDR Regulations specify the allocation or allotment that may be made to various categories of applicants in the Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

### 4.3.4 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

### 4.3.5 FIELD 7: PAYMENT DETAILS

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and funds shall be blocked for the Bid 548 Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue.

(c) RIIs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price

(d) Application Amount cannot be paid through cheques or demand drafts or in cash, through money order or through postal order or through stock invest.

**Instructions for Anchor Investors**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by direct credit, RTGS, NACH or NEFT.

(c) The Escrow Collection Bank shall maintain the monies in the Escrow Accounts for and on behalf of the Anchor Investors until the Designated Date.

**4.3.5.1 Payment instructions for ASBA Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

**4.3.5.1.1 Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

**4.3.5.2 Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the RHP/ Prospectus.

(c) The Applicants entitled to the applicable Discount in the Issue may authorise blocking of an amount i.e. the Application Amount less Discount (if applicable). Bidder may note that in case the net amount blocked (post Discount) is more than 200 thousand rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

**4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS AND ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 and 4.1.9.

**4.4. SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM**

**4.4.1. Bidders/Applicants may submit completed ASBA Form / Revision Form in the following manner:-**

| Mode of Application | Submission of Bid cum Application Form |
|---|---|
| Application by Anchor Investors | To the BRLM at the locations specified in the Anchor Investor Application Form |
| Applications by other Bidders | (a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres, or the RTA at the Designated RTA Location or the DP at the Designated CDP Locations.<br><br>(b) To the Designated branches of the SCSBs |

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which

such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the ASBA Form, the Bidder/Applicant will be deemed to have authorised the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and registration of the Prospectus with the RoC, the ASBA Form will be considered as the application form.

**SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

**5.1 SUBMISSION OF BIDS**

(a) During the Bid/ Issue Period, Bidders/Applicants may approach the Designated Intermediaries to submit and register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the BRLM to register their Bids.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

**5.2 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 online facilities for Book Building on a regular basis before the closure of the Issue.

(b) On the Bid/ Issue 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 Draft Red Herring Prospectus and 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 up to one day after the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

**5.3 BUILD UP OF THE BOOK**

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges" on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/ Issue Period.

## 5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until the Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after finalisation of the basis of allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

## 5.5 REJECTION AND RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

i. the Bids accepted by the Designated Intermediaries,

ii. the Bids uploaded by the Designated Intermediaries, or

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) Any RIB whose Bid has not been considered for Allotment, due to failure on the part of the SCSBs may seek redressal from the concerned SCSB within 3 months of the listing date in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018.

(c) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(d) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(e) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the BRLM and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(f) All bids by QIBs, NIIs and RIIs Bids can be rejected on technical grounds listed herein.

### 5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the Designated Intermediaries or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid/Applications accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB;

(b) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(c) Bids/Applications by OCBs;

(d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form;

(f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(i) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(k) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(l) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;

(m) Bids/Applications at Cut-off Price by NIIs and QIBs;

(n) The amounts mentioned in the Bid cum Application Form/Application Form do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(o) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(p) Submission of more than five Bid cum Application Forms/Application Form through a single ASBA Account;

(q) Bids not uploaded in the Stock Exchanges bidding system

(r) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(u) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form at the time of blocking such Bid/Application Amount in the bank account;

(v) Where no confirmation is received from SCSB for blocking of funds;

(w) Bids/Applications by Bidders (other than Anchor Investors) that are not submitted through ASBA process;

(x) ASBA Bids/Applications submitted to a Designated Intermediary at locations other than the Bidding

Centres, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

(y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(z) Bids by persons in the United States other than 'qualified institutional buyers' (as defined in Rule 144A of the Securities Act) who are also "qualified purchasers";

(aa) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

## 5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in the Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except for the QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB category is not available for subscription to other categories.

(c) A Bid by an 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 under-subscription in the Employee Reservation Portion (post the initial allocation of up to ₹ 200,000 per Employee), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Employee not exceeding ₹ 500,000(which shall be less the Employee Discount, if applicable).For further details on allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP. In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

*Bidders* should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors.*

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| **Bid Quantity** | **Bid Amount (*in* ₹)** | **Cumulative Quantity** | **Subscription (*in %*)** |
|---|---|---|---|
| 500 | 24 | 500 | 16.67 % |
| 1000 | 23 | 1500 | 50.00 % |
| 1500 | 22 | 3000 | 100.00 % |
| 2000 | 21 | 5000 | 166.67 % |
| 2500 | 20 | 7500 | 250.00 % |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. The

Issuer, in consultation with the BRLM may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding ("Alternate Book Building Process").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

**SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through a Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date.

In a fixed price Issue, allocation in the offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section the GID.

**SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Bidder will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidders Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

**7.1 ALLOTMENT TO RIIs**

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

**7.2 ALLOTMENT TO NIIs**

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

**7.3 ALLOTMENT TO QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

**7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;

ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 100,000 thousand;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100,000 thousand and up to ₹ 2,500,000 thousand, subject to minimum allotment of ₹ 50,000 thousand per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 2,500,000 thousand subject to minimum allotment of ₹ 50,000 thousand per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹ 100,000 thousand in the Issue.

A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

## 7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorised according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that

category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

### 7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Escrow Account with the Bankers to the Issue. The balance amount after transfer to the Escrow Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Escrow Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING AND COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with the Depositories, and dispatch the Allotment Advice within six Working Days of the Bid/ Issue Closing Date.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at rates prescribed under applicable law.

## 8.2 GROUNDS FOR REFUND

### 8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than 0500 thousand rupees but which may extend to 5,000 thousand rupees and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to 300 thousand rupees, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

### 8.2.2 NON RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90% of the Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, without interest take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Issue Closing Date and repay, without interest, all subscription amounts received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

### 8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

### 8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Issue to QIBs, in such case full subscription money is to be refunded.

## 8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts of unsuccessful Bidders and also for any excess amount blocked on Bidding/Application.

(b) In the case of Bids from Eligible NRI Bidders, FIIs, FPIs and QFIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

### 8.3.1 Electronic modes of making refunds to Anchor Investors

The payment of refund to Anchor Investors, if any, may be done through various modes as mentioned below:

(a) **NACH—**National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Bidders/Applicants having an account at any of the centres specified by the RBI where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Bidders/Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where the Bidder/Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

(b) **NEFT—** Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investor's bank is NEFT enabled and has been assigned the Indian Financial System Code **("IFSC"),** which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **Direct Credit—** Anchor Investors having their bank account with the Refund Banks may be eligible to receive refunds, if any, through direct credit to such bank account; and

(d) **RTGS—** Anchor Investors having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc, Anchor Investors may refer to RHP/Prospectus.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted by the Anchor Investor to the Escrow Collection Bank.

## 8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within the 15 days of the Bid/Issue Closing Date. The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time. In case of inconsistency in the description of a term mentioned below and the description ascribed to such term in other section of this Draft Red Herring Prospectus, the description as ascribed to such term in the in the other section of this Draft Red Herring Prospectus shall prevail.

| Term | Description |
|---|---|
| Allotment/ Allot/ Allotted | The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants |

| Term | Description |
|---|---|
| Allottee | A Bidder/Applicant to whom the Equity Shares are Allotted |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations. |
| Anchor Investor Application Form | The form used by an Anchor Investor to make a Bid in the Anchor Allotment in terms of the Red Herring Prospectus and Prospectus. |
| Escrow Account | An account opened with the Escrow Collection Bank and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid |
| Anchor Investor Portion | Up to 60% of the QIB Portion which may be allocated by the Issuer, in consultation with the BRLM, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors |
| Application Supported by Blocked Amount/ (ASBA)/ASBA | An application, whether physical or electronic, used by Bidders/Applicants to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB |
| Application Supported by Blocked Amount Form/ASBA Form | An application from, whether physical or electronic, used by Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus |
| ASBA Account | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant |
| Bidder/Applicant | Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA |
| Banker(s) to the Issue / Escrow Collection Bank(s) / Collecting Banker | The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue |
| Bid | An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application |
| Bid Amount | The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount. |
| Bid cum Application Form | The ASBA Form. |
| Bid / Issue Closing Date | Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date |
| Bid/ Issue Opening Date | The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date |
| Bid/ Issue Period | Except in the case of Anchor Investors (if applicable), the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period |

| Term | Description |
|---|---|
| | for QIBs one working day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period |
| Bidder/Applicant | Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean a Bidder/Applicant |
| Book Built Process/ Book Building Process/ Book Building Method | The book building process as provided under SEBI ICDR Regulations in terms of which the Issue is being made |
| Broker Centres | Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges. |
| BRLM/ Book Running Lead Manager/ Lead Manager/ LM | The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager/ Book Running Lead Manager should be construed to mean the Lead Manager or LM |
| Business Day | Monday to Friday (except public holidays) |
| CAN/Confirmation of Allotment Note | Note or intimation of allocation of Equity Shares sent to each Anchor Investor who have been allocated Equity Shares after the Anchor Investor Bidding Date. |
| Cap Price | The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Category III FPI | FPIs who are registered as "Category III foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014. |
| Collecting Depository Participant(s) or CDP(s) | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI. |
| Companies Act | The Companies Act, 1956 or the Companies Act, 2013, as the context requires. |
| Cut-off Price | Issue Price, finalised by the Issuer, in consultation with the BRLM, which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and Employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details |
| Designated Branches | Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (other than Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| Designated CDP Locations | Such locations where Bidders can submit the ASBA Forms to Collecting Depository Participants.<br><br>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), as updated from time to time |
| Designated Date | The date on which funds are transferred from the Escrow Account to the Public Issue Account or the Refund Account, as appropriate, or the funds blocked by the SCSBs are transferred from the ASBA Accounts to the Public Issue Account, as the case may be, after the Prospectus is filed with the RoC. |

| Term | Description |
|---|---|
| Designated Intermediaries | The Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the Bidders, in relation to the Issue |
| Designated RTA Locations | Such locations where Bidders can submit the ASBA Forms to RTAs.<br><br>The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| Designated Stock Exchange | The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer |
| Discount | Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations. |
| Draft Prospectus | The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band |
| Employees | Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the Promoter and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus |
| Equity Shares | Equity shares of the Issuer |
| Escrow Agreement | Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager, the Escrow Collection Banks and the Refund Banks for collection of the Bid Amounts from Anchor Investors and remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof |
| Escrow Collection Bank(s) | Refer to definition of Banker(s) to the Issue |
| FCNR Account | Foreign Currency Non-Resident Account |
| First Bidder/Applicant | The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form |
| FII(s) | Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India |
| Fixed Price Issue/Fixed Price Process/Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations |
| Floor Price | The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto |
| FPI | Foreign portfolio investor registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014. |
| FPO | Further public offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| IPO | Initial public offering |
| Issue | Public issue of Equity Shares of the Issuer. |
| Issuer/ Company | The Issuer proposing the initial public offering/further public offering as applicable |
| Issue Price | The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager. |
| Maximum RII Allottees | The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |
| Mutual Funds Portion | 5% of the QIB Portion (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form |
| NACH | National Automated Clearing House which is a consolidated system of ECS. Payment of |

| Term | Description |
|---|---|
| | refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS. |
| NEFT | National Electronic Fund Transfer |
| Net Issue | The Issue less reservation portion |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Non-Institutional Investors or NIIs | All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and Category III FPIs that are not QIBs or RIIs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRI Bidders) |
| Non-Institutional Category | The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRI Bidders, FIIs registered with SEBI, FVCIs registered with SEBI, FPIs and QFIs |
| 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 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 FEMA |
| Other Investors | Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961 |
| Price Band | Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer, in consultation with the Book Running Lead Manager and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation. |
| Pricing Date | The date on which the Issuer, in consultation with the Book Running Lead Manager, finalise the Issue Price |
| Prospectus | The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price ,the size of the Issue and certain other information |
| Escrow Account | A bank account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date |
| QIB Portion | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis |
| Qualified Institutional Buyers or QIBs | As defined under SEBI ICDR Regulations |

| Term | Description |
|---|---|
| RTGS | Real Time Gross Settlement |
| Red Herring Prospectus/ RHP | The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013 which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/ Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus |
| Refund Account(s) | The account opened with Refund Bank(s), from which refunds to Bidders of the whole or part of the Bid Amount may be made. |
| Refund Bank(s) | Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI. |
| Refunds through electronic transfer of funds | Refunds through NACH, Direct Credit, NEFT, RTGS or ASBA, as applicable |
| Registered Broker | Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate |
| Registrar to the Issue /RTI | The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form |
| Retail Individual Bidders/ Retail Individual Investors / RIIs | Investors who applies or bids for a value of not more than ₹ 200,000. |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000. |
| Retail Category | The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis. |
| Revision Form | The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s) |
| RoC | The Registrar of Companies |
| SEBI | The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 |
| SEBI ICDR Regulations | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| Self Certified Syndicate Bank(s) or SCSB(s) | A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| Specified Locations | Refer to definition of Broker Centres |
| Stock Exchanges/ SE | The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| Syndicate | The Book Running Lead Manager, and the Syndicate Member(s) |
| Syndicate Agreement | The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members |
| Syndicate Member(s)/SM | The Syndicate Member(s) as disclosed in the RHP/Prospectus |
| Underwriters | The Book Running Lead Manager and the Syndicate Member(s) |
| Underwriting Agreement | The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date |
| Working Day | Working Day" means all days, other than the second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between (a) announcement of Price Band; and (b) Bid/ Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/ |

| Term | Description |
|---|---|
| | Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 |

## 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017 has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DIPP issued the Consolidated FDI Policy Circular of 2017 ("**FDI Circular 2017**"), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DIPP issues an updated circular.

As per current foreign investment policies, 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 provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with guidelines prescribed by SEBI / RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been, and will not be registered under the 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 Securities Act and in accordance with any applicable U.S. state securities laws. 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 jurisdiction where such offers and sales are made.

The above information is given for the benefit of the Bidders. Our Company and the BRLM 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 VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

*Pursuant to the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.*

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| 1. | The regulations contained in Table 'F' in Schedule I to the Companies Act, 2013 ("Table 'F'"), as are applicable to a public company limited by shares shall apply to the Company so far as they are not inconsistent with any of the provisions contained in these Articles or modifications thereof and only to the extent that there is no specific provision in these Articles. In case of any conflict between the provisions of these Articles and Table 'F', the provisions of these Articles shall prevail. |
| 2. | Articles shall act as the regulations for the management of the Company and for the observance by its members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of, or addition to, its Articles by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles, unless the same are repugnant or contrary to the provisions of the Act or any Applicable Law or any amendment or notification thereto. |
| | **INTERPRETATION** |
| 3. | In the interpretation of these Articles, unless repugnant to the subject or context:- |

(a) "Act" means the Companies Act, 2013 (including any amendments, modification(s) a or re-enactment thereof, for the time being in force), including wherever applicable the rules framed there under

(b) "Articles" means these articles of association of the Company as adopted or as altered from time to time in accordance with the Act.

(c) "Auditors" means and includes those persons appointed as such for the time being of the Company. "Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 96 of the Act.

(d) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 96 of the Act.

(e) "Board" or "Board of Directors" means the collective body of the Directors of the Company or a committee thereof duly constituted.

(f) "Company" means **Xelpmoc Design and Tech Limited**.

(g) "Directors" means the Directors for the time being of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with Law and the provisions of these Articles or, as the case may be, the Directors assembled at a meeting of the Board.

(h) "Depository" shall mean a company formed and registered under the Companies Act, 1956 or the Companies Act, 2013, as the case maybe, and which has been granted a certificate of registration to act as depository under the Securities and Exchange Board of India Act, 1992; and wherein the securities of the Company are dealt with in accordance with the provisions of the Depositories Act, 1996.

(i) "Law" shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority, Ministry of Corporate Affairs, SEBI or any other regulatory body, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) applicable Indian accounting standard or any other generally accepted accounting principles.

(j) "Memorandum" means the memorandum of association of the Company.

(k) National Holiday" means Republic Day i.e. 26th January, Independence Day i.e. 15th August, Gandhi Jayanti i.e. 2nd October and such other day as may be declared as National Holiday by the Central Government.

(l) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

(m) "Seal" means the common seal of the Company.

(n) "SEBI" means the Securities and Exchange Board of India.

(o) "Resolution" shall have the meaning assigned thereto by the Act. The marginal notes used in these Articles shall not affect the construction hereof.

The marginal notes used in these Articles shall not affect the construction hereof.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

**SHARE CAPITAL AND VARIATION OF RIGHTS**

4. The Authorised Share Capital of the Company shall be as stated in Clause V of the Memorandum, with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this behalf 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 there to respectively any preferential, convertible, deferred, qualified or special rights, privileges or conditions or restrictions and to vary, modify or abrogate the same as may be determined by or in accordance with the provisions of the Act and the Articles.

5. Subject to the provisions of the Act and the Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Provided that option or right to call for shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

6. Subject to the provisions of the Act and the Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so issued and allotted as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

7. The Company may issue the following kinds of shares in accordance with the Articles, the Act, the Rules and other applicable laws:

   i. Equity share capital:

      a. With voting rights; and/or

      b. With differential rights as to dividend, voting or otherwise in accordance with the Rules; and

   ii. Preference share capital.

8. i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period

as the conditions of issue provide:

a. one certificate for all his shares without payment of any charges; or

b. several certificates, each for one or more of his shares, upon payment of twenty rupees, or such other fees as may be fixed by the Board, for each certificate after the first.

ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

iii. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

iv. Every certificate shall be issued in the form and manner prescribed in the Act, the Rules and other applicable laws.

9. i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued without any fee or on payment of such other fees as may be fixed by the Board from time to time in accordance with the Act, for each certificate.

Provided that the fees for issue of share certificate issued on splitting or consolidation or replacement of share certificates that are defaced, mutilated, torn or old, decrepit or worn out shall not exceed such amounts as may be prescribed under the Act and the Rules from time to time.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any recognised stock exchange or the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

ii. 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 (except where the Act otherwise requires) of the Company.

10. Except as required by Law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (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 the 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.

11. i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 the Act, to any person in connection with the subscription to its securities, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the rules made thereunder.

ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

12. i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of 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 Resolution, as specified under the Act, passed at a separate meeting of the holders of the shares of that class, as prescribed under the Act.

ii. To every such separate meeting, the provisions of the Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

iii. The provisions of the foregoing Articles relating to variation of rights shall *mutatis mutandis* apply to any other securities including debentures (except where the Act otherwise requires) of the Company.

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 section 55 of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted into equity shares, on such terms and conditions and in such manner as may be determined by the Board in accordance with the Act and the Rules. Such preference shares shall be redeemable in accordance with the Act and the Rules made there under.

15. i. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

a. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

1. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

2. 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 1 above shall contain a statement of this right;

3. 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 may dispose of them in such manner which is not dis-advantageous to the Shareholders and the Company;

b. to employees under a scheme of employees' stock option, subject to Resolution, as specified under the Act, passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

c. to any persons, if it is authorised by a Resolution, as specified under the Act, whether or not those Persons include the Persons referred to in clause (a) or clause (b) above, 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 Rules and such other conditions, as may be prescribed under Law.

d. The notice referred to in sub-clause (1.) of clause (i) of sub-article (a) 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.

e. Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a Resolution, as specified

under the Act, passed by the Company in a General Meeting.

f. The provisions contained in this Article shall be subject to the provisions of the Act.

ii. Notwithstanding anything contained in Article above, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in Article above) in any manner whatsoever

a. If a resolution, as specified under the Act, to that effect is passed by the Company in a general meeting, or

b. Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

iii. 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 and the Rules.

iv. Subject to the provisions of the Act and other applicable provisions of Law, the Company may with the approval of the shareholders issue sweat equity shares in accordance with such rules and guidelines issued by SEBI and / or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.

v. The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by requisite Resolution, subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

vi. Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and the Articles, at a discount, premium or otherwise and may be issued on the condition that they shall be convertible in to shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of Directors and otherwise. Debentures or other securities with the right to conversion into or allotment of shares shall be issued only with the consent of the shareholders of the Company in General Meeting or through postal ballot by a Resolution, as specified under the Act,

**LIEN**

16. i. The Company shall have a first and paramount lien—

a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The fully paid shares shall be free from all lien.

ii. The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares.

iii. Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver

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| | of the Company's lien. |
| 17. | The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:<br><br>Provided that no sale shall be made:<br><br>a. Unless a sum in respect of which the lien exists is presently payable; or<br><br>b. Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. |
| 18. | i. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.<br><br>ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.<br><br>iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. |
| 19. | The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share. |
| 20. | i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.<br><br>ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. |
| 21. | In exercising its lien, 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 unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim. |
| 22. | The provisions of the Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company. |
| | **CERTIFICATES** |
| 23. | Notwithstanding anything contained elsewhere in the Articles, the Board may in their absolute discretion refuse sub-division of share certificates or debenture certificates into denominations of less than the marketable lots except where such sub-division is required to be made to comply with a statutory provision or an order of a competent court of law. |
| 24. | Notwithstanding anything contained elsewhere in the Articles, a certificate, if required, for a dematerialized share, debenture and other security shall be issued in the name of the Depository and all the provisions contained in the Articles in respect of the rights of a member / debenture holder of the Company shall *mutatis mutandis* apply to the Depository as if it were a member / debenture holder / security holder excepting that and notwithstanding that the Depository shall have been registered as the holder of a dematerialized share, debenture and other security, the person who is the beneficial owner of such shares, debentures and other securities shall be entitled to all other rights available to the registered holders of the shares, debentures and other securities in the Company as set out in the other provisions of the Articles. |
| | **DEMATERIALISATION OF SECURITIES** |
| 25. | Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialize its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a register of members / debenture-holders / other security-holders with the details of members / debenture-holders / other security-holders holding shares, debentures or other securities both in materialized and dematerialized form in any media as permitted by the Act. |
| 26. | Every person subscribing to or holding securities of the Company shall have the option to receive security |

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| | certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the beneficial owner of the security. |
| 27. | Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest / premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by a court of competent jurisdiction or as by Law required and except as aforesaid) be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof. |
| 28. | In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply.<br><br>Provided that in respect of the shares and securities held by the Depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act, 1996, shall apply so far as applicable. |
| 29. | Every Depository shall furnish to the Company, information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf. |
| 30. | Except as specifically provided in the Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996. |
| | **CALLS ON SHARES** |
| 31. | i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:<br><br>Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.<br><br>ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.<br><br>iii. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.<br><br>iv. A call may be revoked or postponed at the discretion of the Board. |
| 32. | A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments. |
| 33. | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. |
| 34. | i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any as the Board may determine.<br><br>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part. |
| 35. | i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of the 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. |

ii. In case of non-payment of such sum, all the relevant provisions of the Articles as to payment of interest and expenses, for feature or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

36. The Board:

i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be prescribed under the Act.

37. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

38. All calls shall be made on a uniform basis on all shares falling under the same class.

39. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

40. The provisions of the Articles relating to calls on shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

**TRANSFER OF SHARES**

41. i. The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

ii. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

iii. 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.

iv. The Company shall use a common form of transfer shall be used in case of transfer of shares, subject to the provisions of the Act. 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.

v. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters administration, certificate of death or marriage, power of attorney or similar other document.

42. The Company shall not register a transfer of shares in, or debentures of the Company held in physical form unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificates relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures:

Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved. to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost or where the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit.

Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder or debenture holder any person to whom the right to any shares in, or debentures of, the Company has been transmitted by operation of Law.

43. The Board may, subject to the right of appeal conferred by section 58 decline to register—

i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

ii. any transfer of shares on which the company has a lien.

That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except where the Company has a lien on the shares being transferred.

44. A transfer of the shares or other interest in the Company of a deceased member thereof made by his legal representatives shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of the instrument of transfer.

45. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the date of receipt of the notice.

For the purpose of above clause notice to the transferee shall be deemed to have been duly given if it is dispatched by pre-paid registered post to the transferee at the address given in the instrument of transfer, and shall be deemed to have been duly delivered upon the expiry of seven days from the date of dispatch.

46. In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless:

i. the instrument of transfer is in the form as prescribed in the rules made under sub-section 56 of the Act,

ii. 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 transfer or to make the transfer; and

iii. the instrument of transfer is in respect of only one class of shares.

47. If the Company refuses to register the transfer of any share pursuant to the Articles, it shall within thirty days from the date on which the instrument of transfer was delivered to the Company send notice of refusal to the transferee and transferor.

48. i. No transfer shall be made to a person of unsound mind. However, transfer of fully paid up shares can be made in the name of a minor if he is represented by his lawful guardian.

ii. 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 Issuer on any account whatsoever;

49. All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Board may decline to register shall be returned to the person depositing the same.

50. The Board may, in their discretion, waive the payment of any transfer or transmission fee either generally or in any particular case or cases.

51. On giving not less than seven days' previous notice in accordance with section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

52. The provisions of the Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

**TRANSMISSION OF SHARES**

53. i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of

any share which had been jointly held by him with other persons.

54. i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

a. to be registered himself as holder of the share; or

b. to make such transfer of the share as the deceased or insolvent member could have made.

ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

55. The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

56. i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

iii. All the limitations, restrictions and provisions of the 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.

57. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at anytime, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

58. The provisions of the Articles relating to transmission by operation of Law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

**FORFEITURE OF SHARES**

59. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at anytime thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

60. The notice aforesaid shall:

i. Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

ii. State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

61. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at anytime thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

62. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

63. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims

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| | and demands against the Company, in respect of the share and all other rights incidental to the share. | |
| 64. | i. | A forfeited share may be sold or otherwise disposed off on such terms and in such manner as the Board thinks fit. |
| | ii. | At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. |
| 65. | i. | A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. |
| | ii. | All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. |
| | iii. | 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. |
| 66. | i. | A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share; |
| | ii. | The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of; |
| | iii. | The transferee shall thereupon be registered as the holder of the share; and |
| | iv. | The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. |
| 67. | Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person. | |
| 68. | Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto. | |
| 69. | The Board may, subject to the provisions of the Act, accept a surrender of the share certificate for any forfeited share from or by any member desirous of surrendering them on such terms as they think fit. | |
| 70. | The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. | |
| 71. | The provisions of the Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company. | |
| 72. | 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. | |
| 73. | Subject to the provisions of section 61 of the Act, the Company may, by ordinary resolution: | |

i. Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

ii. Convert all or any of its fully paid-up shares in to stock, and reconvert that stock in to fully paid-up shares of any denomination;

iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

iv. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

74. Where shares are converted into stock—

i. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near 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.

ii. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

iii. Such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.

75. The Company may, by a Resolution, as specified under the Act, reduce in any manner and with, and subject to any incident authorised and consent required by Law,-

i. its share capital;

ii. any capital redemption reserve account;

iii. any securities premium account; or

iv. any other reserve in the nature of capital.

**JOINT HOLDERS**

76. Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint holders with benefits of survivorship, subject to the following and other provisions contained in the Articles:

i. The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.

ii. On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

iii. Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys

payable in respect of such share.

iv. Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.

v. a. Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares.

b. Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.

vi. The provisions of the Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

**CAPITALISATION OF PROFITS**

77. i. The Company in general meeting may, upon the recommendation of the Board, resolve—

a. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

a. Paying up any amounts for the time being unpaid on any shares held by such members respectively;

b. Paying up in full, un issued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

c. Partly in the way specified in sub-clause (a) and partly in that specified in sub-clause(b);

d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

e. The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

78. i. Whenever such a resolution as aforesaid shall have been passed, the Board shall:

a. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

b. generally do all acts and things required to give effect thereto.

ii. The Board shall have power:

a. To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

b. To authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of the irrespective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

iii. Any agreement made under such authority shall be effective and binding on such members

**BUY-BACK OF SHARES**

79. Notwithstanding anything contained in the Articles but subject to the provision of sections 68-70 of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

80. The Company shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding company, save as provided by the Act.

**GENERAL MEETINGS**

81. i. Subject to the provisions of the Act, an Annual General Meeting of the Members of the Company shall be held every year within six months after the expiry of each financial year, provided that not more than 15 months shall elapse between the date of one Annual General Meeting 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 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, that is, between such time as prescribed in the Act, on any day that is not a National Holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated.

ii. All general meetings other than annual general meeting shall be called extra ordinary general meeting.

82. i. The Board may, whenever it thinks fit, call an extraordinary general meeting.

ii. If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

**PROCEEDINGS AT GENERAL MEETINGS**

83. i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

84. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

85. No business shall be discussed or transacted at any general meeting whilst the chair is vacant, except election of Chairperson.

86. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Managing Director ,or in the absence of the Managing Director, any of the Whole-time Director of the Board shall preside as Chairman of such meeting and in such event the Managing Director or Whole-time Director (as applicable) shall assume all the powers, authorities and responsibilities of the Chairperson as set out in the Articles. In the absence of Chairperson, Managing Director or Whole-time Director, the Directors present shall elect one of themselves to be Chairperson of the meeting.

87. If at any meeting, pursuant to Article 86 above, no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members

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| | present shall, by poll or electronically choose one of their members to be Chairperson of the meeting. |
| 88. | The Chairperson of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. |
| 89. | On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote. |
| 90. | i. The Company shall cause minutes of the proceedings of every general Meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.<br><br>ii. There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting:<br><br>a. is, or could reasonably be regarded, as defamatory of any person; or<br><br>b. is irrelevant or immaterial to the proceedings; or<br><br>c. is detrimental to the interests of the Company.<br><br>iii. The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.<br><br>iv. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein. |
| 91. | Subject to provision of section 110 of the Act, the Company may, in respect of any of 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 instead of transacting such business at a general meeting. |
| 92. | i. The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:<br><br>a. be kept at the registered office of the Company; and<br><br>b. be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.<br><br>ii. Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to above. |
| | **ADJOURNMENT OF MEETING** |
| 93. | i. The Chairperson may with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.<br><br>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.<br><br>iii. When a meetingis adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.<br><br>iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. |
| | **VOTING RIGHTS** |
| 94. | Subject to any rights or restrictions for the time being attached to any class or classes of shares,— |

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| | i. On a show of hands, every member present in person shall have one vote; and<br><br>ii. On a poll and e-voting, the voting rights of members shall be in proportion of their share in the paid-up equity share capital of the Company. |
| 95. | Where a poll is to be taken, the Chairperson of the meeting shall appoint such number of persons, as he deems necessary to scrutinize the poll process and votes given on the poll and to report thereon to him; |
| 96. | The Chairperson shall have power, at any time before the result of the poll is declared to remove a scrutinizer from office and to fill vacancies in the office of scrutinizer arising from such removal or from any other cause. |
| 97. | A member may exercise his vote at a meeting by electronic means in accordance with section 108 of the Act and shall vote only once. |
| 98. | i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint-holders.<br><br>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members. |
| 99. | A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians. |
| 100. | Subject to the provisions of the Act and other provisions of the Articles, any person entitled to any shares, pursuant to the provisions related to *Transmission* in the Articles, may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof. |
| 101. | Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. |
| 102. | No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien. |
| 103. | A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article. |
| 104. | i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.<br><br>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. |
| 105. | Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class. |
| | **PROXY** |
| 106. | i. Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on their behalf, for attend that meeting and vote only on a poll.<br><br>ii. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. |
| 107. | An instrument appointing a proxy shall be in the form as prescribed in the Rules and under section 105 of the Act. |

108. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

**BOARD OF DIRECTORS**

109. Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than 3(three) and shall not be more than 15.

Provided that a company may appoint more than fifteen directors after passing a resolution, as specified in the Act.

110. Notwithstanding anything contrary contained in the Articles, if the Company has availed any loan(s) from, or issued any debentures or other instruments / securities to, any bank(s), financial institution(s), nonbanking financial companies, asset reconstruction companies or any other body corporate ("Lender(s)") and so long as any monies with respect to such loan(s) granted by such Lender(s) to the Company remain outstanding by the Company to any Lender(s) or so long as the Lender(s) continue to hold debentures in the Company by direct subscription or private placement, or so long as the Lender(s) hold equity shares in the Company as a result of conversion of such loans / debentures, or if the agreement with the respective Lender(s) provide for appointment of any person or persons as a Director or Directors, or if the Company is required to appoint any person as a director pursuant to any agreement, (which Director or Directors is / are hereinafter referred to as "Nominee Director(s) / Observer(s)") on the Board, the Company may appoint such person nominated by such Lender(s) as Nominee Director / Observer, in accordance with the terms and conditions specified in the agreement executed with such Lender.

111. The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company, subject to section 203 of the Act.

112. At the Annual General Meeting of the Company to be held in every year, two third of total number of Directors as are liable to retire by rotation for time being and one third of such of the directors or if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the independent director shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

113. i. The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

ii. The remuneration payable to the Directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.

iii. In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them—

a. In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or

b. In connection with the business of the Company.

114. The fees payable to the Director for attending the meeting of the Board or committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed under the Act or the Rules.

115. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board or a committee thereof shall from time to time by resolution, determine.

116. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in the

attendance book or attendance sheet kept for that purpose or submit a duly signed attendance slip which shall be maintained as part of the book to be kept for that purpose.

117. i. Subject to the provisions of section 149 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the Directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

118. The Board may appoint an alternate director to act for a Director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.

119. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.

120. If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the alternate director.

121. i. 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.

ii. The Director 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.

**POWERS OF BOARD**

122. The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the Memorandum and the Articles and to any regulations, not being inconsistent with the Memorandum and the Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

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 Rules or statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in general meeting.

**BORROWING POWERS**

123. The Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company; Provided that 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) shall not at any time except with the consent of the shareholders of the Company, in manner as prescribed under the Act or rules thereof or any other law, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

124. The Directors, with share holders' consent where required by the Act and Rules, may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of debentures or debenture-stock 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.

**PROCEEDINGS OF THE BOARD**

125. Proceedings of the Board:

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| | i. | The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. |
| | ii. | The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time summon a meeting of the Board. |
| 126. | A meeting of the Board of Directors shall be held at least four times every year and not more than 120 days shall lapse between two Board meetings. | |
| 127. | Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. | |
| 128. | The quorum for a Board meeting shall be as provided in the Act. | |
| 129. | The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audiovisual means or teleconferencing, as may be prescribed by the Rules or permitted under Law. | |
| 130. | i. | Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. |
| | ii. | In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote. |
| 131. | 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. | |
| 132. | i. | The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. |
| | ii. | The Board may elect one of their members as Co-Chairperson to preside over their meetings in the absence of the Chairperson and determine the period for which he is to hold office. The Co-Chairperson shall in the absence of the Chairperson, have all the powers conferred on the Chairperson by the Articles. |
| | iii. | The Board may elect one of their members as Vice Chairman to preside over their meetings in the absence of the Chairperson and Co-Chairperson and determine the period for which he is to hold office. The Vice Chairman shall in the absence of the Chairperson and Co-Chairperson, have all the powers conferred on the Chairperson by the Articles. |
| | iv. | If no such Chairperson, Co-Chairperson or Vice Chairman is elected, or if at any meeting the Chairperson, Co-Chairperson and Vice Chairman are not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their numbers to be Chairperson of the meeting. |
| | v. | The minutes of the meeting of the Board and the Committees thereof shall be prepared and kept in accordance with the provisions of the Act and the Rules. |
| 133. | i. | The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. |
| | ii. | Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. |
| 134. | The participation of Directors in a meeting of the committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under Law. | |
| 135. | i. | A committee may elect a Chairperson of its meetings. |
| | ii. | If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of |

their members to be Chairperson of the meeting.

136. i. Subject to the provisions of the Act and directions of the Boardof Directors, a committee may meet and adjourn as it thinks fit.

ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

137. 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 anyone 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.

138. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY, WHOLE TIME DIRECTOR, CHIEF FINANCIAL OFFICER**

139. Subject to the provisions of the Act,—

i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

ii. A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

140. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

**MANAGING DIRECTOR**

141. i. Subject to the provisions of the Act, the Directors may from time to time appoint one or more of their body to be the Managing Director of the Company, in accordance with the provisions of the Act and the Rules.

ii. A Managing Director so appointed shall exercise the powers and authorities conferred upon him by an agreement entered into between him and the Company and / or by a resolution of the Board and be subject to the obligations and restrictions imposed upon him there by or by the Act.

**REGISTERS**

142. The Company shall keep and maintain at its registered office all statutory registers including, register of members, register of charges, register of annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. Extracts of the Registers or Annual Return may be taken there from and copies thereof may be provided to the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

i. The Company may exercise the powers conferred on it by section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.

ii. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, *mutatis mutandis*, as is applicable to the register of members.

**THE SEAL**

143. i. The Board shall provide for the safe custody of the seal.

ii. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or a committee of the Board authorized by it in that behalf, and except in the presence of at least one Director or of the company secretary of the Company or such other person as the Board may appoint for the purpose, and such Director or the secretary of the Company or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

**DIVIDENDS AND RESERVE**

144. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

145. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

146. i. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.

ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

147. i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid up on any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. Any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

148. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

149. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

150. i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or cheque or warrant sent through post or courier directed to the registered address of the holder or, in the case of joint-holders, to the registered address of that one of the joint-holders who is first named on the register of members, or to such person and to such address as the holder or joint-holders may in writing direct.

ii. Every such cheque or warrant or electronic payment mode shall be made payable to the order of the person to whom it is sent.

151. Any one of two or more joint-holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

152. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein

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| | in the manner mentioned in the Act. | |
| 153. | The waiver in whole or in part of any dividend on any share by any document (whether or not under Seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board. | |
| 154. | i. | No dividend shall bear interest against the Company. |
| | ii. | Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be called the Unpaid Dividend Account in any scheduled bank. |
| | iii. | Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under Section 125 of the Act. |
| | iv. | No unclaimed or unpaid dividend shall be forfeited by the Board of Directors until the claim becomes barred by Law. |
| | **ACCOUNTS AND AUDIT** | |
| 155. | i. | The Directors shall, as required by the Act, cause to be prepared and laid before the Company in Annual General Meeting to be held as provided in these Articles hereof such Profit and Loss Account, Balance Sheet and Directors' and Auditors' Reports as are referred to in those provisions. |
| | ii. | The books of account and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act and the Rules. |
| | iii. | The financial statements, books of accounts and other relevant books and papers of the Company shall be examined and audited in accordance with the provisions of the Act and the Rules. |
| | iv. | Appointment, re-appointment, rotation, removal, resignation, eligibility, qualification, disqualification, remuneration, powers and duties etc. of the Statutory Auditors shall be in accordance with the provisions of the Act and rules. |
| | v. | In case the Company is required to get its secretarial records audited by a Secretarial Auditor, the same shall be audited, in the manner prescribed under the provisions of the Act and the Rules. |
| | vi. | Appointment, re-appointment, rotation, removal, resignation, eligibility, qualification, disqualification, remuneration, powers and duties etc. of the Secretarial Auditors shall be in accordance with the provisions of the Act and the Rules. |
| 156. | i. | The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors. |
| | ii. | No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Law or authorized by the Board or by the Company in general meeting. |
| | **WINDING UP** | |
| 157. | Subject to the provisions of Chapter XX of the Act and Rules thereunder— | |
| | i. | If the Company shall be wound up, the liquidator may, with the sanction of a Resolution of the Company, as specified in the Act, and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. |

ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any Shares or other securities where on there is any liability.

**INDEMNITY AND INSURANCE**

158. Subject to the provisions of the Act, every Director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, manager, company secretary and officer may incur or become liable for by reason of any contract entered in to or act or deed done by him in his capacity as such Director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

159. Subject as aforesaid, every Director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by a court or such authority.

160. 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 and reasonably.

**GENERAL POWER**

161. Wherever in the Act or the Rules, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. Further, where the Act or Rules empowers the Board to exercise any powers for and on behalf of the Company, the Board shall be entitled to exercise the same, irrespective of whether the same is contained in this Articles or not.

162. At any point of time from the date of adoption of these Articles, if they come contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (the "Regulations"), the provisions of the Regulations shall prevail over the Articles to such extent

**SECRECY CLAUSE**

163. Subject to the provisions of the Act, no member shall be entitled to require discovery of any information respecting any detail of the Company's trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board it may be inexpedient in the interest of the Company to communicate to the public.

## SECTION IX – 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 or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

### 1. Material Contracts for the Issue

(i) Issue Agreement dated August 24, 2018 between our Company and the BRLM.

(ii) Registrar Agreement dated August 24, 2018 between our Company and the Registrar to the Issue.

(iii) Escrow Agreement dated [●] between our Company, the Registrar to the Issue, the BRLM and the Escrow Collection Bank(s), Refund Banker and Public Issue Bank(s).

(iv) Syndicate Agreement dated [●] between our Company, the BRLM and the Syndicate Members.

(v) Underwriting Agreement dated [●] between our Company, the Registrar to the Issue and the Underwriters.

### 2. Material Documents

i. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.

ii. Certificate of incorporation dated September 16, 2015.

iii. Fresh certificate of incorporation dated July 20, 2018 consequent upon conversion from private company to public company.

iv. Resolutions of the Board of Directors dated July 23, 2018 in relation to the Issue.

v. Shareholders' resolution dated July 28, 2018 in relation to the Issue.

vi. Resolutions of the Board of Directors dated August 24, 2018, taking on record the Issue and, approving this Draft Red Herring Prospectus.

vii. The examination reports dated August 24, 2018 of JHS & Associates LLP, Chartered Accountants, the Statutory Auditors, on our Company's Restated Standalone Financial Statements and Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus.

viii. Copies of the annual reports of our Company for the Fiscals 2016, 2017 and 2018.

ix. Statement of Tax Benefits dated August 24, 2018 from the Statutory Auditor.

x. Consent of the Directors, the BRLM, the Syndicate Members, Legal Counsels, Registrar to the Issue, Escrow Collection Bank(s), Refund Banker, Public Issue Bank(s), Bankers to our Company, Nasscom, our Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

xi. Consent letter dated August 24, 2018 of the Statutory Auditor to include their names as experts in relation to their reports dated August 24, 2018 on the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements and the Statement of Tax Benefits dated August 24, 2018 included in this Draft Red Herring Prospectus.

xii. Fortigo Network Logistics Private Limited:

a. Restricted Stock Agreement dated October 24, 2015 entered into between our Company and Fortigo Network Logistics Private Limited.

b. Shareholders' Agreement dated December 23, 2016 and First Amendment to Shareholders' Agreement dated April 30, 2018 entered into amongst our Company, Fortigo Network Logistics Private Limited, Accel India IV (Mauritius) Limited, Accel India V (Mauritius) Limited, Nandan Nilekani, NRJN Family Trust, Vivek Malhotra, Anjani Mandal and Rakesh Malhotra.

xiii. Shares' Subscription Agreement dated March 30, 2016 entered into between our Company and IFtoSI Jewels Private Limited and consequently, Shareholders' agreement dated March 30, 2016 entered into between our Company and IFtoSI Jewels Private Limited**.**

xiv. Mihup Communications Private Limited:

c. Shareholders' Agreement dated July 12, 2016 entered into by and amongst our Company, Mihup Communications Private Limited, Accel India IV (Mauritius) Limited, Pankaj Gupta; Sandipan Chattopadhyay, Tapan Barman, Sandipan Mandal, Biplab Chakraborty and Manoj Keshan.

d. Bridge Subscription Agreement and First Amendment Agreement to the Shareholders' Agreement dated January 23, 2018 entered into by and amongst our Company, Mihup Communications Private Limited, Accel India IV (Mauritius) Limited, Pankaj Gupta; Sandipan Chattopadhyay, Tapan Barman, Sandipan Mandal, Biplab Chakraborty and Manoj Keshan.

xv. Subscription cum Shareholders' Agreement dated May 11, 2017 entered into by and amongst our Company, Inqube Innoventures Private Limited, Orko Knowledge Ventures Private Limited, Tridibesh Bandyopadhyay, Subhankar Pandey, Souvik Banerjee, Sandipan Chattopadhyay, Jaison Jose and Srinivas Koora.

xvi. Share Subscription Agreement and Shareholders' Agreement dated September 13, 2017 effective from September 10, 2017, entered into amongst our Company, Madworks Ventures Private Limited, Arjun Madhavan and Pooja Sheth.

xvii. Shares' Subscription and Shareholders' Agreement dated September 11, 2017 and Amendment thereto entered into on November 16, 2017, by and amongst our Company, Snaphunt Pte. Limited and Tulika Tripati.

xviii. Investment Agreement dated December 21, 2017 entered into by and amongst our Company, Intellibuzz TEM Private Limited, Omphalos Ventures India LLP, Pranay Sanghavi, Harendra Sanghavi and Steven K. Enamakel, Vikram K. Bansal, Sumit Mehta.

xix. Share Subscription Agreement dated January 19, 2018 effective from April 01, 2017 and Shareholders' Agreement dated January 19, 2018 effective from April 01, 2017 entered into between our Company and Kidsstoppress Media Private Limited.

xx. Joint Venture Agreement dated July 02, 2018 effective from April 01, 2017 entered into between our Company and Fortigo Network Logistics Private Limited.

xxi. Due Diligence Certificate dated August 24, 2018 addressed to SEBI from the BRLM.

xxii. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.

xxiii. Tripartite agreement dated [●] between our Company, NSDL and the Registrar to the Issue.

xxiv. Tripartite agreement dated [●] between our Company, CDSL and the Registrar to the Issue.

xxv. SEBI observation letter number [●] dated [●].

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 relevant statutes.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Tushar Trivedi**
**(Chairman and Independent Director)**

**Sandipan Chattopadhyay**
**(Managing Director and Chief Executive Officer)**

**Srinivas Koora**
**(Whole-Time Director and Chief Financial Officer)**

**Jaison Jose**
**(Whole-Time Director)**

**Vishal Chaddha**
**(Whole-Time Director)**

**Premal Mehta**
**(Independent Director)**

**Bhavna Chattopadhyay**
**(Non-Executive Director)**

**Pratiksha Pingle**
**(Independent Director)**

**SIGNED BY THE CHIEF FINANCIAL OFFICER**

**Srinivas Koora**

**Date:**

**Place:**

## ANNEXURE A - US RESALE LETTER

[*on the letterhead of an investor who is a U.S. Person or a person in the United States; to be executed after resale of the Equity Shares outside the United States; to be delivered to the Company prior to the settlement of any sale or other transfer of Shares*]

**Xelpmoc Design and Tech Limited (the "Company")**
4th Floor, Agies Building
#17, 1st A Cross,
Koramangala, 5th Block
Bengaluru 560 095

Ladies and Gentlemen:

This letter ("**Resale Letter**") relates to the sale or other transfer by us of equity shares (the "**Shares**") of the Company, which is required to be in an offshore transaction pursuant to Regulation S ("**Regulation S**") under the Securities Act of 1933, as amended (the "**Securities Act**"). Terms used in this Resale Letter are used as defined in Regulation S, except as otherwise stated herein.

We hereby represent and warrant to you as follows:

(a) We previously purchased the Shares for our own account (or for one or more beneficial owners for which we have acted as fiduciary or agent, with complete investment discretion and with authority to bind each such person), as both a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) and a "qualified purchaser" (as defined in Section 2(a)(51) and related rules of the Investment Company Act of 1940, as amended, and the rules thereunder (the "**U.S. Investment Company Act**"). We understand that the Shares have not been and will not be registered under the Securities Act and that the Company has not registered and will not register as an investment company under the U.S. Investment Company Act).

(b) The offer and sale of the Shares by us was not made to a person in the United States or to a U.S. Person (as defined in Regulation S).

(c) Either:

  (i) at the time the buy order for the sale of the Shares by us was originated, the buyer was outside the United States or we and any person acting on our behalf reasonably believed that the buyer was outside the United States; or

  (ii) the transfer of the Shares by us was executed in, on or through the facilities of the National Stock Exchange of India Limited or the BSE Limited (insert name of stock exchange), and neither we nor any person acting on our behalf has reason to believe that the transaction was pre-arranged with a buyer in the United States.

(d) Neither we, nor any of our affiliates, nor any person acting on our or their behalf, has made any directed selling efforts (as such term is defined in Regulation S) in the United States with respect to the Equity Shares.

(e) The transfer of the Equity Shares by us was not and is not part of a plan or scheme to evade the registration requirements of the Securities Act or the U.S. Investment Company Act.

(f) None of the Company, any of its agents nor any of their respective affiliates participated in the sale of the Equity Shares by us.

(g) We agree that the Company, its agents and their respective affiliates may rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

*Where there are joint transferors, each must sign this US Resale Letter. A US Resale Letter of a corporation must be signed by an authorized officer or be completed otherwise in accordance with such corporation's constitution (and evidence of such authority may be required).*

Yours sincerely,

(Name of Transferor)

By:

Title:

Date: